



MEETING MINUTES

Meeting Minutes March 2, 2023

A quorum of the full Committee attended the meeting at the Department of Medical Assistance Services (DMAS) offices at 600 East Broad Street, Richmond. A WebEx option was also available for members of the public to attend virtually.

The following CHIPAC members were present in person:

- Sara Cariano, Chair Virginia Poverty Law Center
- Shelby Gonzales Center on Budget and Policy Priorities
- Emily Griffey Voices for Virginia's Children
- Dr. Susan Brown American Academy of Pediatrics, Virginia Chapter
- Heidi Dix Virginia Association of Health Plans
- Michael Muse Virginia League of Social Services Executives
- Hanna Schweitzer Dept. of Behavioral Health and Developmental Services
- Irma Blackwell Virginia Department of Social Services
- Kelly Cannon Virginia Hospital and Healthcare Association
- Ali Faruk Families Forward Virginia
- Alexandra Javna Virginia Department of Education
- Jeff Lunardi Joint Commission on Health Care
- Jennifer Macdonald Virginia Department of Health
- Martha Crosby Virginia Community Healthcare Association

The following CHIPAC members sent a substitute to attend in person:

- Freddy Mejia (Emily King) The Commonwealth Institute for Fiscal Analysis
- Michael Cook Board of Medical Assistance Services
(Dr. Kannan Srinivasan)

The following CHIPAC members attended virtually in accordance with the committee's remote participation policy:

- Emily Roller Virginia Health Care Foundation
(Denise Daly Konrad)k0

The following CHIPAC members were not present:

- Dr. Tegwyn Brickhouse VCU Health
- Dr. Nathan Webb Medical Society of Virginia

- I. **Welcome** – Sara Cariano, CHIPAC Chair, called the meeting to order at 1:06 p.m. Cariano welcomed committee members and members of the public and announced that the meeting was being recorded. Attendance was taken by roll call.

II. **CHIPAC Business**

- A. **Review and approval of minutes from December 8 meeting** – Committee members reviewed draft minutes from the December 8, 2022 meeting. Kelly Cannon (Virginia Hospital and Healthcare Association) made a motion to approve the minutes, Jeff Lunardi (Joint Commission on Health Care) seconded, and the Committee voted unanimously to approve the December 8 meeting minutes.
- B. **Membership update** – Cariano provided a brief update on committee membership. She explained that the committee currently has 19 members out of a statutory maximum of 20 and invited members to nominate potential candidates or submit ideas of member organizations that could be invited to join the committee.

III. **Continuous Coverage Unwinding & New Federal Legislation**

Unwinding Update – Jessica Anecchini, Senior Policy Advisor for Administration, DMAS

Cariano introduced Jessica Anecchini, DMAS Senior Policy Advisor for Administration, to present on Virginia's plans for the upcoming process of unwinding from the continuous coverage requirement. Anecchini explained that as one of several conditions of receiving a temporary federal match rate increase of 6.2 percentage points under the Families First Coronavirus Response Act (FFCRA), states have been required to maintain enrollment of individuals in Medicaid during the public health emergency (PHE). This is referred to as the continuous coverage requirement. The continuous coverage requirement applies to individuals enrolled in Medicaid as of March 18, 2020, or who were determined eligible on or after that date. The continuous coverage requirement has allowed people to retain Medicaid coverage and receive needed care during the pandemic.

Anecchini explained that on December 29, 2022, the 2023 Consolidated Appropriations Act (CAA) passed. This federal legislation de-coupled the continuous coverage requirement for Medicaid from the COVID-19 federal PHE and outlined a process for the unwinding of continuous coverage. As a result, starting April 1, 2023, states will be required to redetermine eligibility for nearly all Medicaid enrollees. As of February 2023, Virginia will be responsible for redetermining the eligibility of 2,154,617 members within 1,256,294 cases – one-third of all cases are expected to be redetermined automatically, with the remaining cases to be redetermined by local Departments of Social Services. DMAS is working to obtain vendor support to supplement local agency efforts.

Anecchini explained that the CAA also ramps down the enhanced Federal Medical Assistance Percentage (FMAP), Virginia's federal Medicaid match rate, over the

course of calendar year 2023. She stated that Virginia has received nearly \$2.5 billion in additional federal funds throughout the pandemic. DMAS also received \$15 million in American Rescue Plan Act (ARPA) funding to assist with unwinding-related work, including but not limited to system enhancements, temporary staffing, and communications/outreach. DMAS has requested an additional \$20 million in ARPA funding and \$3.3 million in general funds approval from the General Assembly in the 2023 session to assist with redetermination efforts through the Cover Virginia vendor.

Annechhini explained that historically, the Commonwealth has experienced churn, which is when enrollees reapply and regain coverage shortly after being terminated. She explained that, as a result of the continuous coverage requirement, during the PHE Virginia has not experienced the typical churn of Medicaid enrollees. Today over 2 million individuals are enrolled in Virginia Medicaid, and at the end of the continuous coverage requirements, almost all of these individuals will require a redetermination. Enrollment growth has been the fastest among non-elderly, non-disabled adults, and slower among children and aged, blind, and disabled (ABD) eligibility groups. Post continuous coverage, roughly 14% of the state's total Medicaid enrollees may lose coverage, and up to 4% of members may lose and regain coverage within one to six months of closure. The national average for coverage loss is around 20%.

Annechhini presented an overview of the redetermination processing timeline. She explained that closures from redeterminations may not occur prior to the month after the continuous coverage requirement ends. Redeterminations will be initiated over a 12-month period to ensure an even distribution of overdue renewals combined with currently due renewals, and a sustainable workload for local agencies in future years. In addition, CMS allows states an additional two months for all clean-up work in order to align with federal processing requirements. Full renewal processing will resume in mid-March 2023, although no closures may occur prior to April 30. In March and April 2024 (months 13 and 14) clean-up and completion of outstanding unwinding issues will take place. In May 2024, regular work will resume.

Annechhini explained actions the agency is taking to prepare to resume normal operations. She stated that these preparations began in mid-2020, shortly after the PHE declaration began. Actions include system updates and increased automation, outreach and engagement work, and training at the local DSS agency level and at the call center. Annechhini stated that verbal authorization by the applicant has been a helpful flexibility for navigators and application assisters during the pandemic, and at this time it is not clear whether this flexibility will be extended or made permanent.

Shelby Gonzales (Center on Budget and Policy Priorities) asked what data sources DMAS is utilizing in the ex parte process. Annechhini explained that ex parte renewal is the process of renewing a member's eligibility without having to send them a request for additional information. She stated that Virginia has an automated process for ex parte renewals, which obviates the need for local DSS workers to run all the information and compare against the data sources manually. She stated that different categories of coverage have different flows. Depending on category, data sources include SNAP income; Virginia checks against the federal hub as well. Annechhini explained that current ex parte rates are between 50 and 60 percent of all cases.

Everyone on the case has to be able to go through the ex parte process; if one member “falls out” of the process, then the household is automatically sent the administrative renewal form. The rates may not be the same during the unwinding process as Virginia will be processing a greater number of overdue renewals.

A member asked what kind of public information/reports on the process can be expected during the unwinding period. Anecchini responded that monthly data reports to the federal government mandated under the CAA will be posted on the CMS website and DMAS will likely post them on the agency website as well. Data reported will include how many renewals of cases were initiated, how many were successful, especially through ex parte, and how many were redetermined each month. Anecchini reminded members that because renewal is a two-month process, it could be initiated during one month but the outcome might not be known for a couple of months.

Gonzales asked about the prepopulated renewal form and what types of translation, interpretation and other language access services are available. Anecchini responded that if information about the member’s primary language other than English is on file, for the most commonly spoken languages in Virginia they will receive the materials translated into their primary language. In addition, every mailing that goes out has a language access insert with information in the top 17 languages on how the member can receive translation and interpretation services.

Expiring PHE Authorities – Emily McClellan, Director, DMAS Division of Policy, Regulation and Member Engagement (PRME)

Emily McClellan, Director of the DMAS Division of Policy, Regulation and Member Engagement (PRME), provided an update on expiring and continuing policy flexibilities associated with the public health emergency. McClellan clarified that the provider flexibilities relate to the public health emergency, which is ending on May 11, 2023. The flexibilities are NOT related to the end of the continuous coverage requirement. McClellan stated that most of the flexibilities that remain in place relate to Home and Community Based Services (HCBS) waivers. Some of these will end on May 11, 2023, and some will last for an additional six months. McClellan stated that COVID vaccines, vaccine counseling, testing, and treatment will remain covered services under federal requirements until September 30, 2024. After that, vaccines will be covered as preventive services. She directed members to the DMAS website, where the following page outlines up-to-date COVID-19 policy information: www.dmas.virginia.gov/covid-19-response

McClellan explained that Virginia has permanently adopted the following COVID-19 flexibilities:

- No co-payments for Medicaid and FAMIS members.
- Access to many services via telehealth – provider manuals have supplements detailing how each service is accessible through telehealth.
- Electronic signatures are now accepted.

- 90-day supply allowable for many drugs.
- Opioid treatment programs may administer medication as take-home dosages, up to a 28-day supply.
- Allowing a member's home to serve as the originating site for prescription of buprenorphine.

2023 Consolidated Appropriations Act (CAA): Key Provisions Affecting Medicaid and CHIP Children and Youth – Hope Richardson, Senior Management Analyst, PRME Division, DMAS

Hope Richardson, Senior Management Analyst, DMAS PRME Division, provided an overview of provisions of the CAA related to Medicaid and CHIP children and youth. Richardson explained that the same federal legislation that de-linked the continuous coverage requirement for Medicaid from the PHE also included a number of other provisions pertaining to Medicaid and CHIP children's coverage.

One such provision is a requirement that states provide 12 months continuous eligibility for all children in Medicaid and CHIP, effective January 1, 2024. Continuous eligibility means a one-year period of protected coverage for the child even if the family's income or circumstances change during the 12-month enrollment period in a way that would normally affect eligibility. Virginia does not currently have continuous eligibility for children and will take the necessary steps to implement this new requirement by the January 1 effective date. Richardson stated that the CAA extends CHIP federal funding for an additional two years, through FFY 2029. The CAA also includes funding for pediatric quality measures and CHIP outreach and enrollment grants.

Richardson then outlined several mental health and juvenile justice-related provisions of the CAA. She stated that the CAA establishes a state option to provide Medicaid and CHIP coverage to juvenile youth in public institutions during the initial period pending disposition of charges (effective January 1, 2025). The federal legislation also aligns CHIP rules with Medicaid rules concerning suspension rather than termination of coverage while a child is an inmate of a public institution and establishes related requirements regarding redeterminations. Richardson explained that, effective January 1, 2025, the legislation requires states to provide certain required screenings, referrals, and case management services for Medicaid and CHIP-eligible juvenile youth in public institutions.

Richardson stated that, effective July 1, 2025, the CAA requires state Medicaid agencies and their managed care organizations to take steps to address "phantom networks" by publishing accurate, updated, and searchable provider directories that include information on whether a provider is accepting new patients, the provider's cultural, linguistic, and disability access capabilities, and whether the provider offers services via telehealth. The CAA also directs the federal Department of Health and Human Services to issue guidance to states and establish a guidance and technical assistance center on the continuum of crisis response services in Medicaid and CHIP, by July 1, 2025. Laura Reed, DMAS Behavioral Health Senior Program Advisor, noted that Virginia was one of the first states to implement a crisis continuum of care in the

summer of 2021 based on best practices from the SAMHSA and Crisis Now models. She stated that DMAS will closely monitor the forthcoming guidance from DHHS.

P-EBT Provisions of Consolidated Appropriations Act – Jen Cooper, Senior Associate Director, Benefit Programs Division, Virginia Department of Social Services

Cariano introduced Jen Cooper, Senior Associate Director in the Benefit Programs Division of VDSS, to provide an overview of Pandemic EBT (P-EBT) provisions of the CAA. Cooper explained that P-EBT benefits were established by the FFCRA federal COVID-19 response legislation in 2020. She stated that since May of 2020, over \$1.7 billion in P-EBT benefits have been issued to children across Virginia. With the end of the COVID-19 PHE, the P-EBT program will end on May 11. Cooper explained that P-EBT has two components: school-age eligibility and SNAP children under age 6. The Virginia Department of Education (VDOE) determines eligibility for participation in the school-aged program. They also determine individual student eligibility, based on federal guidance. VDSS determines if Virginia will participate for SNAP children under age six and determines their eligibility.

Cooper stated that for the 2022-23 school year, Virginia will not issue P-EBT benefits for school-aged children. The schools are no longer tracking COVID-related absences, which is a requirement to determine eligibility in the school P-EBT program. However, VDSS will be issuing P-EBT benefits for eligible SNAP children under age 6. In March, benefits will be issued for the months of September, October, and November 2022. In April, benefits will be issued for the months of December 2022 and January and February 2023. In May, benefits will be issued for March and April, and in June, pro-rated, partial-month benefits for May will be issued, due to the fact that the PHE will end on May 11, 2023. Cooper stated that in order to sunset the program, VDSS is updating its public webpage and LDSS websites. Public service announcements will be issued and flyers will be distributed through LDSS and schools.

Cooper explained that there will be a summer P-EBT benefit for 2023 applicable to school-aged children only. It's anticipated that these benefits will be issued in July or August of 2023. The state has until September 2023 to spend these funds and issue these benefits. Funds will be issued for both summer months in a single allocation, for a total of \$120, and families will have 9 months to spend the funds loaded onto their cards.

Cooper gave an overview of actions being taken to address the problem of EBT skimming, scamming and cloning. She stated that Virginia experienced a large spike of these issues in the fall. Cooper explained that the CAA authorized the potential replacement of some EBT benefits that were stolen through card skimming, card cloning, or similar fraudulent methods. However, Virginia cannot access these funds to replace benefits until certain steps are completed. Cooper explained that these provisions apply only to SNAP benefits stolen between October 1, 2022, through September 30, 2024.

Cooper stated that EBT Replacement Benefits are only applicable to SNAP benefits, which include D-SNAP and Emergency Allotments. Cooper explained that P-EBT

benefits are not SNAP benefits and therefore cannot be replaced under the authority of the CAA. She stated that the amount of the replacement benefits for a household is the lesser of (1) the amount stolen or (2) the amount equal to 2 months of the monthly allotment of the household immediately prior to the date on which the benefits were stolen. EBT Benefits may only be replaced twice during a federal fiscal year (October 1 to September 30). Cooper explained that VDSS is working as quickly as possible to meet the required provisions of the CAA. The Division of Benefit Programs is working with its internal technology partners and LDSS stakeholders to find short-term and long-term solutions, and to draft a state plan that is due to USDA/FNS (Food and Nutrition Service) by February 27, 2023. Cooper stated that once the plan is approved, VDSS will move forward with implementing the solutions. The implementation phase may take several months, and at this point VDSS is not able to provide an estimate on when Virginia can begin using federal funds to replace benefits. Cooper explained that VDSS has also started a multi-phased approach to raise public awareness of the EBT scamming, skimming, phishing and cloning problem. This effort includes a social media campaign on both Facebook and Twitter, resources on the VDSS public website (dss.virginia.gov), and flyers to be distributed via LDSS and community partners, which are available in nine different languages. A short video is also being developed for distribution across the state.

Cooper stated that the CAA also authorized a permanent Summer EBT program starting in 2024. Specific details are pending written guidance from FNS, and Virginia will build off technology infrastructure established during P-EBT program to launch the new Summer EBT program.

IV. General Assembly Update

Legislative Update – Will Frank, Senior Advisor for Legislative Affairs, DMAS

Will Frank, Senior Advisor for Legislative Affairs, DMAS, provided an overview of legislation tracked by DMAS during the 2023 General Assembly Session, with a focus on bills with an impact on Medicaid and CHIP children and pregnant individuals. He reminded members of DMAS' role in the legislative process as a state agency. The agency monitors introduced legislation and reviews legislation and budget language for the Secretary of Health and Resources and the Governor. DMAS makes recommendations to the Secretary and Governor, communicates the Governor's positions on legislation to the General Assembly, and provides expert testimony and technical assistance on legislation. Frank stated that 2,863 bills were introduced during session. DMAS was assigned 31 bills and, of these, 13 bills passed and 18 bills failed. In addition, DMAS commented on 26 bills assigned to other agencies and tracked another 107 bills.

Frank described several bills monitored by DMAS during session related to child, youth, and maternal health. HB 1919 and SB 1439 did not pass but would have required coordination between DMAS and the Department of Corrections to identify pregnant individuals in the custody of state correctional facilities who are currently enrolled in Medicaid or who may be eligible for Medicaid and ensure that those released for the purpose of giving birth or other pregnancy-related care are informed of

the steps necessary to obtain coverage for such care. HB 2210 and SB 1327 would have directed DMAS to establish a state-funded comprehensive health care coverage program for children under 19 years of age who are uninsured and would be eligible for Medicaid or FAMIS coverage if not for their immigration status. These bills did not pass. Frank also reviewed several key bills introduced during session related to Medicaid long-term care, developmental disabilities waivers, and managed care.

Finance Update – Cat Pelletier, Operations Lead for Finance, DMAS

Cat Pelletier, DMAS Operations Lead for Finance, provided a finance update, including an overview of state budget amendments and negotiations to date. Pelletier stated that the total DMAS appropriation for FY23 was \$20.8 billion, of which \$19.8 billion are Title XIX/Medicaid dollars, and approximately \$565 million are CHIP and M-CHIP (CHIP-funded Medicaid) dollars. Pelletier described the financial impact of unwinding. She stated that the quarterly stepdown of the enhanced federal medical assistance percentage (FMAP) will begin in April. Because an additional quarter of enhanced FMAP was originally assumed in the budget, unwinding and the reduced FMAP for Q4 of FY2023 creates a \$31 million GF need in the budget. On the other hand, looking towards FY2024, DMAS did not assume any enhanced FMAP for the fiscal year, so the additional two quarters of enhanced FMAP during the taper creates \$131 million additional GF savings for FY24. The net impact is a GF savings of \$100 million, which is incorporated into a budget amendment.

Pelletier reviewed Medicaid-related amendments in the Governor's introduced budget, including proposed rate increases, additional DD (Developmental Disability) waiver slots, reprocurement of the Medicaid managed care program, extended telehealth flexibility for DD waiver services beyond the PHE, and improved access to peer recovery support services. Pelletier then reviewed amendments from the House Appropriations and Senate Finance committee reports issued in early February, noting that these are still subject to change depending on decisions of the conference committee. She stated that there were 60 DMAS amendments across the House and Senate budgets. These included amendments related to provider rates for consumer-directed service facilitation, personal care rates, peer mentoring waiver services, mental health partial hospitalization and intensive outpatient programs, community-based behavioral health services, physician rates for primary care and psychiatric care, the reimbursement rate for durable medical equipment, and supported living residential rates. Amendments also included funding for the Medicaid central processing unit and eligibility redetermination contractor and an independent review of managed care reprocurement that would push implementation out by a year. Also proposed are dental program enhancements, including extending the age for children to receive fluoride varnish from non-dental providers from age 3 to age 5. In addition, the Senate budget included funding for a state-funded comprehensive children's health care coverage program although the legislation associated with this amendment did not pass during session. Another amendment would fund technical assistance to school divisions to implement changes to Medicaid reimbursement. Other amendments included a Medicaid rate study for behavioral health, a study of a potential community health worker Medicaid benefit, and a workgroup on including all children's residential services in Medicaid managed care (a language-only item).

V. Committee Discussion of Legislative and Policy Priorities

The Committee discussed legislative and policy priorities for the coming year. Cariano shared two questions to kick off the discussion:

- *Thinking ahead to next year's General Assembly session, what do you/your organization see as emerging or remaining, unaddressed state-level legislative priorities for children's health, maternal health, and coverage for families?*
- *When considering Medicaid unwinding, are there any recommendations or suggestions for DMAS/DSS to adapt or improve agency policies, processes, and practices in ways that don't require state legislative action?*

Kelly Cannon raised the issue of state elections and General Assembly turnover prior to the 2024 legislative session, and the higher than usual amount of retirements that will lead to a large number of new members without previous legislative experience. She asked whether there were potential opportunities for DMAS or CHIPAC to educate new members of the General Assembly about the Medicaid and FAMIS programs and inform them about issues relevant to the committee's priorities. Will Frank, DMAS, stated that the agency does work with legislators' offices to provide technical assistance and educate the members outside of the active period of legislative session. However, there will be a very short window of opportunity prior to the start of the 2024 session to reach new General Assembly members. Therefore this work will be ongoing during session and beyond.

Ali Faruk (Families Forward of Virginia) expressed interest in Medicaid eligibility and enrollment issues facing incarcerated pregnant individuals. Emily Griffey (Voices for Virginia's Children) stated that another topic of interest is provider reimbursement rates for children's services and how this affects access to care. She also stated an interest in tracking the MCO procurement and ways this may impact children's services. Denise Daly Konrad (Virginia Health Care Foundation) expressed that she is interested in rates for behavioral health services, both outpatient and inpatient. Konrad stated that she is interested in better understanding the number/percentage of behavioral health providers who accept Medicaid and FAMIS and who work with children and youth. Dr. Susan Brown (Virginia Chapter of the American Academy of Pediatrics) stated that pediatricians often take on the role of behavioral health providers, and therefore looking at the entire workforce of pediatric Medicaid providers would be valuable. She also expressed an interest in following efforts to explore a coverage option for children who are ineligible for Medicaid and FAMIS due to their immigration status.

Shelby Gonzales expressed an interest in continuing to follow the unwinding process and advising DMAS and DSS on opportunities to improve the process. Items to track might include whether there will be outbound calls and follow-up from Cover Virginia for individuals who do not respond, whether prepopulated forms requesting information when the ex parte process is not successful are as simple as possible and minimize the amount of information requested, and not including requests for SSNs or

citizenship/immigration information, as this information was previously gathered. She highlighted the importance of language access and simplified, streamlined forms to gather data.

Irma Blackwell (VDSS) stated that she is open to relaying ideas and feedback for VDSS to expand their outreach approach in partnership with DMAS. She stated that CMS has issued guidance with detailed requirements intended to ensure that states make vigorous efforts during the unwinding period to reach all members to prevent coverage losses and churn for individuals who are eligible for renewal. For example, CMS mandates that DMAS not terminate anyone for returned mail until multiple attempts are made through additional modes of communication to contact the member. There is a requirement to use the national change-of-address database, and tracking and documentation of these efforts is required. Blackwell stated that individuals who receive a notice of termination will have a 90-day redetermination period and if they respond within that timeframe and eligibility is then verified, their coverage will be reinstated.

Cariano asked whether committee members would be interested in having unwinding updates as part of their materials for future CHIPAC meetings throughout 2023, potentially through a dashboard or brief updates by DMAS and VDSS providing data about renewals. She stated that when possible, it would be helpful to have this information broken down by age and/or category of coverage.

VI. Agenda for June 1, 2023 CHIPAC Meeting

Cariano invited discussion about the agenda for the June CHIPAC meeting, which will be an all-virtual meeting. She stated that there is an interest in tracking the efficacy of direct member outreach during unwinding. Gonzales reiterated that it would be helpful to have periodic assessments about what DMAS and DSS have learned and how they have adapted to improve processes as unwinding moves forward. Cannon stated that providers will often be called upon to respond to questions regarding unwinding. She stated that community health workers (CHWs) can be an asset in this area. She said that VHHA has created opportunities to do outreach through the over 100 hospital-based CHWs in Virginia. Cannon explained that there are even more CHWs that are community-based as well as a state association of CHWs, and it would be helpful to make sure that CHWs are provided with up-to-date information so their skills can be utilized to assist in minimizing coverage losses during the unwinding process.

Natalie Pennywell, DMAS Outreach and Community Engagement Manager, stated that DMAS is working with the Virginia Department of Education and the Virginia Community Health Worker Association to ensure that these important partners are well informed. She stated that DMAS is also working with the MCOs to make sure their CHWs and other managed care providers are informed and able to connect members with the latest relevant information. Pennywell explained that DMAS has worked with VDOE to distribute information to schools across the state and will continue to do so throughout the unwinding process. She invited CHIPAC members to reach out to her with additional suggestions they have regarding how DMAS can use these and other networks of

support to communicate effectively with members.

VII. Public Comment

Cariano invited public comment but none was made.

VIII. Closing

The meeting was adjourned at 3:02 p.m.