

# DEPARTMENT OF MEDICAL ASSISTANCE SERVICES

ADMINISTERING MEDICAID AND THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM IN VIRGINIA



**DMAS' mission is to provide a system of high quality and cost effective health care services to qualifying Virginians and their families.**

The Medicaid program, signed into law by President Lyndon B. Johnson on July 30, 1965, celebrated its 50<sup>th</sup> year in 2015.

Medicaid is a joint federal and state program authorized under Title XIX of the Social Security Act that provides health and long-term care coverage for specific groups of Virginians with low incomes. In Virginia, Medicaid is administered by the Department of Medical Assistance Services (DMAS) and is jointly funded by Virginia and the federal government. Virginia's federal matching rate, known as the Federal Medical Assistance Percentage (FMAP) is generally 50%, so Virginia receives \$1 of federal matching funds for every \$1 Virginia spends on Medicaid.

Medicaid is primarily available to children in families with low-income, pregnant women, elderly, individuals with disabilities, and parents below strict income limits.

DMAS also administers Virginia's Children's Health Insurance Program (CHIP) known as FAMIS. FAMIS covers children and pregnant women in families earning too much to qualify for Medicaid but too little to afford private insurance.

All states must follow federal Medicaid/CHIP guidelines regarding who is covered, but set their own income and asset eligibility criteria. Virginia's eligibility criteria are among the strictest in the nation.



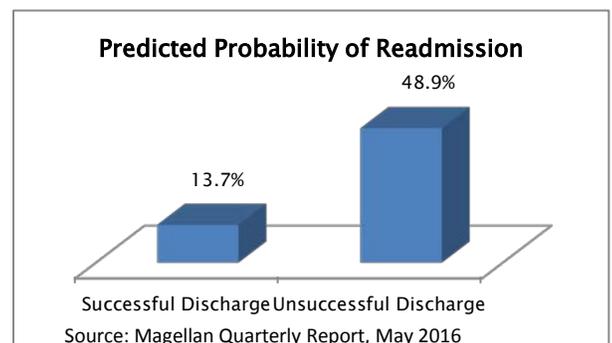
## Independent Team Certification and Care Coordination For Psychiatric Residential Treatment Services August 2016

Intensive family involvement, meaningful discharge planning, and deliberate strategies to reintegrate back into the community are the essential components to the assurance of effective psychiatric treatment for youth. National research provides evidence that care coordination including these components improves child and family outcomes and results in positive return on investment.

Stroul, B.A., et al. (2014) *Return on Investment in Systems of Care for Children with Behavioral Health Challenges*. Washington D.D.: Georgetown University Center for Child and Human Development, National Technical Assistance Center for Children's Mental Health

Virginia spent more than \$101 million in Medicaid funds for 2,152 psychiatric residential treatment placements for youth across the Commonwealth during fiscal year 2015, yet there is widespread agreement across stakeholders in the child-serving system that the care coordination known to improve outcomes and maximize return on investment was sorely lacking. In the 2015 fiscal year, 34.5% of high risk youth<sup>1</sup> received no Medicaid-funded services prior to their residential admission. Analysis revealed significant differences in readmission rates across regions of the state that were not related to diagnosis, provider, or closing resolution. In addition, stakeholders reported that Medicaid-eligible youth faced difficulty in access to the teams charged with responsibility for assessing their needs and inconsistency in processes for determining and certifying the medical necessity of residential placement.

DMAS seeks to improve the psychiatric treatment experience for youth and their families by ensuring timely access to quality care, active youth and family engagement in care, robust assessment, and active care coordination that includes proactive discharge planning and post-discharge follow-up.



To these ends, DMAS will implement regulatory changes effective December 1, 2016 amending processes for the assessment of service needs, coordination of care, and placement of youth into psychiatric residential treatment facilities.

<sup>1</sup> having spent greater than 450 days in residential services or having four or more admissions

## Summary of Regulatory and Programmatic Changes

	Assessment	Independent Certification Team	Care Coordination
<b>Description</b>	<ul style="list-style-type: none"> <li>The Virginia Independent Clinical Assessment Program (VICAP) will terminate effective November 30, 2016.</li> <li>Magellan will ensure appropriateness of Medicaid-funded services through service authorizations, care coordination, and clinical service reviews.</li> </ul>	<ul style="list-style-type: none"> <li>Independent certification teams will be approved by DMAS under contractual agreement with Magellan.</li> <li>Teams will be funded for certifying the need for residential treatment services.</li> </ul>	<ul style="list-style-type: none"> <li>Magellan will ensure the provision of care coordination for all Medicaid-eligible youth referred to and/or receiving residential treatment services.</li> </ul>
<b>Need</b>	<ul style="list-style-type: none"> <li>Ensures compliance with <i>Mental Health Parity and Addiction Equity Act</i>.</li> <li>Fulfills legislative mandates to sunset VICAP (<i>Appropriation Act Item 306. MM (c)(7-9, 14-15)</i>).</li> </ul>	<ul style="list-style-type: none"> <li>Ensures compliance with federal requirements regarding composition and qualifications of team, i.e., physician member and team competence in diagnosis and treatment of mental illness (<i>CFR §441.153</i>).</li> <li>Ensures timely access to assessment, planning, and quality services for Medicaid-eligible youth.</li> </ul>	<ul style="list-style-type: none"> <li>Ensures that Medicaid-eligible youth and families are provided choice options regarding services and providers in accordance with federal requirements.</li> <li>Ensures protection of youth and family rights to Medicaid grievance procedures.</li> </ul>
<b>Impact</b>	<ul style="list-style-type: none"> <li>Expedites member access to needed services in the least restrictive environment.</li> <li>Increases availability of mental health clinicians to provide other reimbursable services.</li> </ul>	<ul style="list-style-type: none"> <li>Establishes a single point of access for Medicaid members seeking services.</li> <li>Establishes quality assurance monitoring of best practice in delivery of psychiatric treatment services.</li> <li>Eliminates the currently uncompensated administrative burden on local governments to certify the need for residential treatment for Medicaid members.</li> </ul>	<ul style="list-style-type: none"> <li>Establishes quality assurance monitoring of care coordination practices that: are family-focused; engage families, local case managers, and community-based providers; integrate services across physical and mental health, and Fee-For-Service and Managed Care Organizations; and ensure post-discharge follow-up and continuity of care between various levels of care.</li> <li>Will positively influence outcomes, e.g., decrease lengths of stay, enhance effectiveness of treatment services, reduce readmissions to residential care, and improve success in the community upon discharge.</li> </ul>