



2016 Virginia Medicaid at a Glance

Introduction

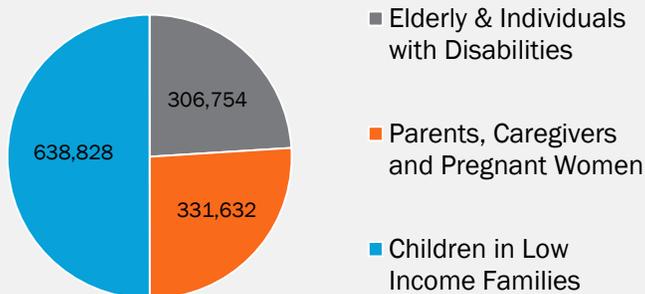
Medicaid is a joint federal and state program authorized under Title XIX of the Social Security Act that provides health and long-term care coverage for 1.3 million Virginians. In Virginia, Medicaid is administered by the Department of Medical Assistance Services (DMAS) and is jointly funded by Virginia and the federal government. Virginia's federal matching rate, known as the Federal Medical Assistance Percentage (FMAP) is generally 50%, meaning Virginia receives \$1 of federal matching funds for every \$1 Virginia spends on Medicaid.

Who is covered by Medicaid?

Medicaid coverage is primarily available to Virginians who are children in low-income families, pregnant women, elderly, individuals with disabilities and parents meeting specific income thresholds.

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

Coverage¹ in Virginia for SFY 2014



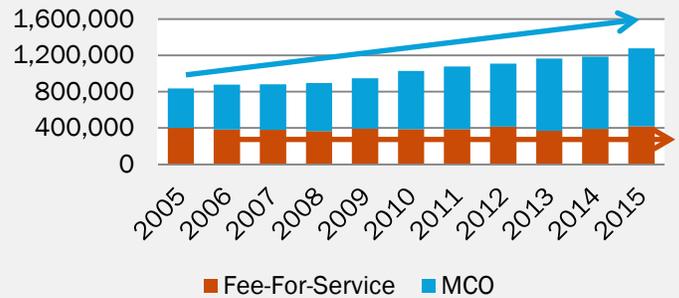
How is Care Delivered through Virginia Medicaid?

DMAS provides Medicaid to individuals through two delivery models: commercial managed care organizations (MCOs) and Fee for Service (direct reimbursement to service providers). Virginia has been increasing its use of the MCO program because of the value it provides to enrollees and to the Commonwealth. As of December 2015, just over 68% of Medicaid enrollees are in managed care.

MCOs in Virginia



MCO vs. Fee-For-Service Enrollment

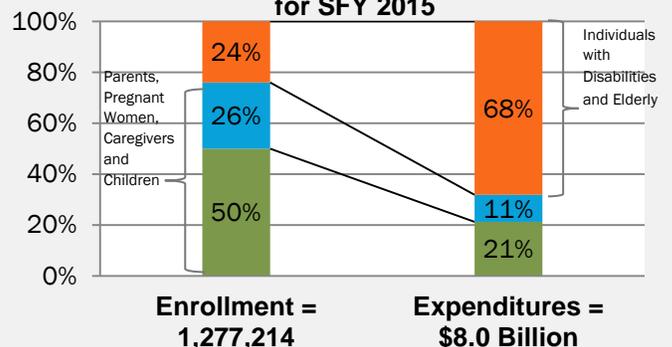


Virginia has focused on quality while expanding managed care. Virginia was one of the first states to require its MCOs to be accredited by the National Committee for Quality Assurance (NCQA). Accreditation is widely recognized as a commitment toward continuous quality improvement and requires MCOs to pass a rigorous, comprehensive review and report annually on performance. The benefits of accreditation impact more than half a million Virginians.

Medicaid Expenditures and Enrollees

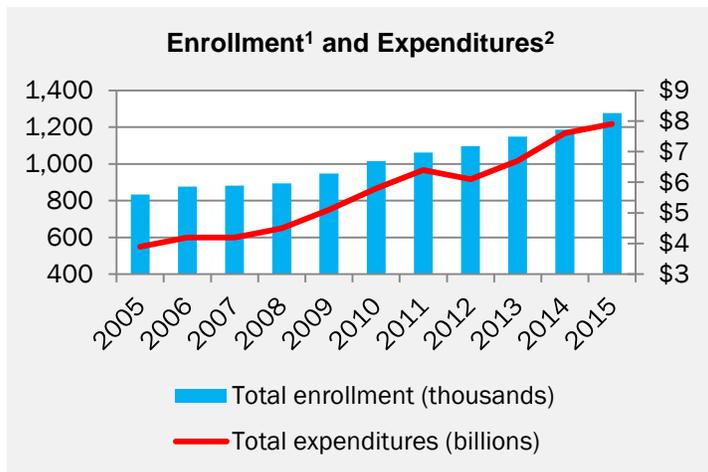
Similar to other states, Medicaid spending in Virginia is heavily weighted towards seniors and individuals with disabilities due to their intensive needs and use of more costly acute and long-term care services.

Enrollment¹ vs. Expenditures² for SFY 2015



¹ Coverage and enrollment numbers show the total annual unduplicated enrollments for Virginia's Title XIX program
² Expenditures represent claims expenditures for Virginia's Title XIX program

Virginia's Medicaid spending per capita is consistently lower than the majority of other states. While enrollment has increased, spending growth has changed at a rate similar to other states. Although increases in enrollment have been the primary driver of spending increases, other factors affecting expenditures for Medicaid in Virginia include: economic changes such as health care cost inflation, advances in health care technology, and program changes directed by federal and state law. Virginia Medicaid administration is efficient; despite rising expenditures, only 2.5% of total FY 2015 DMAS expenditures were allocated toward administrative expenses.



Enrollment in the Virginia Medicaid program continues to increase in all eligibility categories except for the elderly. Children's enrollment numbers are increasing the fastest.



What Services Are Covered Under Medicaid?

The Virginia Medicaid program covers medical services, nursing facility services, and behavioral health services. Virginia Medicaid enrollees may also receive coverage through home and community-based "waivers." Waivers provide community-based long-term care services as an alternative to institutionalization.

Additionally, DMAS is implementing requirements of the Patient Protection and Affordable Care Act (PPACA). For more information about Medicaid Reform and the PPACA in Virginia, please visit:

http://www.dmas.virginia.gov/Content_pgs/va-ppaca.aspx



Waiver programs available to Medicaid beneficiaries include:

- Alzheimer's
- Day Support for Persons with Intellectual Disabilities
- Elderly or Disabled with Consumer-Direction
- Intellectual Disabilities
- Technology Assisted
- Individual and Family Developmental Disabilities Support

Please visit www.dmas.virginia.gov for more information about the services available through Virginia's Medicaid program.



Reforming the Virginia Medicaid Program

DMAS continues to improve the Medicaid program in Virginia. A number of current and future initiatives are underway to address current and future challenges including:

- Implementing a multi-year Medicare and Medicaid enrollee (dual eligible) financial alignment demonstration
- Enhancing the quality of care and oversight for behavioral health
- Moving forward with Managed Long Term Services and Supports (MLTSS) to improve the coordination of service delivery for all enrollees, including individuals receiving long term care services and supports

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