COMMONWEALTH of VIRGINIA
Department of Medical Assistance Services

CYNTHIA B. JONES
DIRECTOR

SUITE 1300
600 EAST BROAD STREET
RICHMOND, VA 23219
804/786-7933
800/343-0634 (TDD)
www.dmas.virginia.gov

December 18, 2014

Ms. Ticia Jones
Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services
Mail Stop S2-01-16
7500 Security Boulevard
Baltimore, MD 21244-1850

Dear Ms. Jones:

The purpose of this letter is to request an amendment to Virginia's section 1115 demonstration "FAMIS MOMS and FAMIS Select" (No. 21 – W -00058/3). We propose the following changes for FAMIS MOMS enrollees beginning on March 1, 2015

- Adding coverage for dental services to align with pregnant women's coverage under Medicaid, and
- Allowing enrollment for pregnant women who have access to subsidized coverage under a state employee health benefit plan to align with children's coverage under CHIP.

This letter serves as the Commonwealth's official notification to the Centers for Medicare and Medicaid Services (CMS) as outlined in the Special Terms and Conditions.

In September of this year, Governor Terry McAuliffe introduced *A Healthy Virginia*, his plan to enhance health care access and services across the Commonwealth. Included in this ten point plan is improving access to oral health care for pregnant women in Medicaid and FAMIS MOMS. Beginning March 1, 2015, Virginia's nationally recognized *Smiles For Children* program will provide dental benefits to pregnant women age 21 and over in Medicaid and FAMIS MOMS. Dental coverage for pregnant women enrolled in Medicaid or FAMIS MOMS will assist in improving the dental health of the mother, decrease dental emergencies, and help deliver a healthy baby.

The Department of Medical Assistance Services (DMAS) is working in concert with the dental benefits administrator, DentaQuest, to design an oral health program for pregnant women enrolled in Medicaid and FAMIS MOMS. The services are inclusive of those provided in Virginia's *Smiles For Children* program, and similar in scope to dental services available through the Department of Human Resources' dental benefits for state employees.

Services for pregnant women will include the following:

- Diagnostic (x-rays, exams)
- Preventive (cleanings)
- Restorative (fillings)
- Endodontics (root canals)
- Periodontics (gum related treatment)
- Prosthodontics both removable and fixed (crowns, bridges, partials and dentures)
- Oral surgery (extractions and other oral surgeries)
- Adjunctive general services (all covered services that do not fall into specific professional categories).

Governor McAuliffe's plan also included a directive to amend the Virginia CHIP state plan to allow enrollment for dependent children of state employees who are otherwise eligible. This amendment has been submitted to CMS for an effective date of January 1, 2015. To be consistent with our CHIP plan (FAMIS), we propose to allow pregnant women, who have access to subsidized coverage under a state employee health benefit, to enroll in FAMIS MOMS, if they are otherwise eligible. This change is also planned for an effective date of March 1, 2015, to allow for implementation during the upcoming state employee open enrollment period.

DMAS is in the process of making the necessary regulatory and systems modifications to implement these changes.

A copy of the budget template is attached.

Sincerely,

[redacted]

Rebecca Mendoza
CHIP Director
Director, Division of Maternal and Child Health

RM:jb
Enc.

cc: Francis McCullough, Associate Regional Administrator, Philadelphia Regional Office, CMS
Margaret Kosherzenko, Health Insurance Specialist, CMS
Linda Nablo, Chief Deputy Director, DMAS
Ashley Harrell, Policy & Services Manager, Maternal & Child Health Division, DMAS
Joanne Boise, Policy Analyst, Maternal & Child Health Division, DMAS

HIFA Demonstration Waiver Budget Template for States Using SCHIP Funds -

VIRGINIA	FFY 2009	FFY 2010	FFY 2011	FFY 2012	FFY 2013	FFY 2014	FFY 2015	FFY 2016* (end July 2016)
	Federal Fiscal Year -3	**Federal Fiscal Year -2**	**Federal Fiscal Year -1**	**Federal Fiscal Year**	**Federal Fiscal Year +1**	**Federal Fiscal Year +2**	**Federal Fiscal Year +3**	**Federal Fiscal Year +4**
State's Allotment	$175,860,300	$184,454,740	$175,234,257	$184,004,091	$184,004,091	$184,004,091	$184,004,091	$138,003,068
Funds Carried Over From Prior Year(s)	$24,436,278	$51,907,027	$70,641,677	$73,794,399	$81,672,564	$73,431,982	$61,751,396	$48,574,823
SUBTOTAL (Allotment + Funds Carried Over)	$200,296,578	$236,361,767	$245,875,934	$257,798,490	$265,676,655	$257,436,073	$245,755,487	$186,577,891
Reallocated Funds (Redistributed or Retained that are Currently Available)								
TOTAL (Subtotal + Reallocated funds)	$200,296,578	$236,361,767	$245,875,934	$257,798,490	$265,676,655	$257,436,073	$245,755,487	$186,577,891
State's Enhanced FMAP Rate	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
COST PROJECTIONS OF APPROVED SCHIP PLAN								
Benefit Costs								
Insurance payments								
Managed care	$97,829,945	$118,175,633	$127,453,131	$133,664,459	$150,965,987	$157,135,791	$157,855,312	$118,753,758
per member/per month rate @ # of eligibles	$110.82* @ 80,256 avg elig/mo	$118.03 @ 83,438 avg elig/mo	$119.76 @ 88,682 avg elig/mo	$116.64 @ 95,498 avg elig/mo	$121.21 @ 103,320 avg elig/mo	$119.45 @ 109,627 avg elig/mo	$112.56 @ 116,872 avg elig/mo	$106.76 @ 123,593 avg elig/mo
Fee for Service	$106,345,991	$111,163,126	$114,192,932	$112,382,798	$118,026,176	$122,375,724	$125,625,593	$95,921,423
Total Benefit Costs	**$204,175,936**	**$229,338,759**	**$241,646,063**	**$246,047,257**	**$268,992,163**	**$279,511,515**	**$283,480,905**	**$214,675,181**
(Offsetting beneficiary cost sharing payments)								
Net Benefit Costs	**204,175,936**	**229,338,759**	**241,646,063**	**246,047,257**	**268,992,163**	**279,511,515**	**283,480,905**	**214,675,181**
Administration Costs								
Personnel	$1,147,399	$1,241,923	$969,688	$1,019,331	$1,071,492	$1,071,492	$1,071,492	$1,071,492
General administration	$65,159	$117,287	$212,119	$229,088	$247,415	$247,415	$247,415	$247,415
Contractors/Brokers (e.g., enrollment contractors)	$8,133,472	$7,936,390	$5,224,596	$5,770,703	$6,371,658	$6,371,658	$6,371,658	$6,371,658
Claims Processing	$896,888	$1,041,073	$969,680	$1,018,164	$1,069,073	$1,069,073	$1,069,073	$1,069,073
Outreach/marketing costs	$633,782	$1,131,831	$640,966	$676,014	$712,815	$712,815	$712,815	$712,815
Other	$0	$0	$0	$0	$0	$0	$0	$0
Total Administration Costs	**$10,876,699**	**$11,468,504**	**$8,017,049**	**$8,713,300**	**$9,472,453**	**$9,472,453**	**$9,472,453**	**$9,472,453**
10% Administrative Cap	$22,686,215	$25,482,084	$26,849,563	$27,338,584	$29,888,018	$31,056,835	$31,497,878	$23,852,798
Federal Title XXI Share	$139,784,213	$156,524,721	$162,281,023	$165,594,362	$181,002,000	$187,839,579	$190,419,683	$145,695,962
State Share	$75,268,422	$84,282,542	$87,382,089	$89,166,195	$97,462,616	$101,144,389	$102,533,675	$78,451,672
TOTAL COSTS OF APPROVED SCHIP PLAN	**$215,052,636**	**$240,807,262**	**$249,663,112**	**$254,760,557**	**$278,464,616**	**$288,983,968**	**$292,953,358**	**$224,147,634**
COST PROJECTIONS OF HIFA DEMONSTRATION PROPOSAL								
Benefit Costs for Demonstration Population #1 (pregnant women < 200% FPL)								
Insurance payments								
Managed care	$9,765,521	$9,903,091	$10,878,185	$11,867,501	$13,343,441	$9,225,664	$7,802,189	$5,889,494
per member/per month rate @ # of eligibles	$929.08* @ 956 avg elig/mo	$836.27 @ 987 avg elig/mo	$901.77 @ 1,005 avg elig/mo	$974.34 @ 1,015 avg elig/mo	$888.24 @ 1,252 avg elig/mo	$879.64 @ 874 avg elig/mo	$837.81 @ 776 avg elig/mo	$801.21 @ 817 avg elig/mo
Fee for Service	$2,603,713	$3,278,009	$3,429,300	$3,567,407	$3,278,445	$2,214,159	$1,924,571	$1,563,025
Total Benefit Costs for Waiver Population #1	**$12,369,234**	**$13,181,100**	**$14,307,485**	**$15,434,908**	**$16,621,886**	**$11,439,824**	**$9,726,760**	**$7,452,520**
Benefit Costs for Demonstration Population #2 (children in premium assistance)								
Insurance payments	$496,536	$588,291	$389,029	$381,916	$381,888	$381,912	$382,103	$286,542
Managed care								
per member/per month rate @ # of eligibles								
Fee for Service	$1,000	$904	$481	$500	$500	$500	$500	$500
Total Benefit Costs for Waiver Population #2	**$497,536**	**$589,194**	**$389,510**	**$382,416**	**$382,388**	**$382,412**	**$382,603**	**$287,042**
Benefit Costs for Demonstration Population #3								
Insurance payments								
Managed care								
per member/per month rate @ # of eligibles								
Fee for Service								
Total Benefit Costs for Waiver Population #3								
Benefit Costs for Demonstration Population #4								
Insurance payments								
Managed care								
per member/per month rate @ # of eligibles								
Fee for Service								
Total Benefit Costs for Waiver Population #4								
Total Benefit Costs	**$12,866,770**	**$13,770,295**	**$14,696,995**	**$15,817,324**	**$17,004,273**	**$11,822,236**	**$10,109,364**	**$7,739,562**
(Offsetting beneficiary cost sharing payments) * Premium Payments will be net of cost sharing								
Net Benefit Costs	**$12,866,770**	**$13,770,295**	**$14,696,995**	**$15,817,324**	**$17,004,273**	**$11,822,236**	**$10,109,364**	**$7,739,562**
Administration Costs								
Personnel	$54,636	$56,275	$57,964	$59,703	$46,120	$46,120	$46,120	$46,120
General administration								
Contractors/Brokers (e.g., enrollment contractors)	$257,575	$260,151	$262,753	$265,380	$201,025	$201,025	$201,025	$201,025
Claims Processing								
Outreach/marketing costs	$60,000	$60,000	$60,000	$60,000	$45,000	$0	$45,000	$45,000
Other (specify)								
Total Administration Costs	**$372,212**	**$376,426**	**$380,716**	**$385,083**	**$292,146**	**$247,146**	**$292,146**	**$292,146**
10% Administrative Cap								
Federal Title XXI Share	$8,605,338	$9,195,369	$9,800,512	$10,531,565	$11,242,672	$7,845,098	$6,760,981	$5,220,610
State Share	$4,633,643	$4,951,352	$5,277,199	$5,670,842	$6,053,747	$4,224,283	$3,640,528	$2,811,098
TOTAL COSTS FOR DEMONSTRATION	**$13,238,981**	**$14,146,721**	**$15,077,711**	**$16,202,407**	**$17,296,419**	**$12,069,381**	**$10,401,509**	**$8,031,707**
TOTAL PROGRAM COSTS (State Plan + Demonstration)	**$228,291,617**	**$254,953,984**	**$264,740,823**	**$270,962,964**	**$295,761,035**	**$301,053,350**	**$303,354,868**	**$232,179,341**
Total Federal Title XXI Funding Currently Available (Allotment + Reallocated Funds)	$200,296,578	$236,361,767	$245,875,934	$257,798,490	$265,676,655	$257,436,073	$245,755,487	$186,577,891
Total Federal Title XXI Program Costs (State Plan + Demonstration)	$148,389,551	$165,720,089	$172,081,535	$176,125,927	$192,244,673	$195,684,677	$197,180,664	$150,916,572
Unused Title XXI Funds Expiring (Allotment or Reallocated)								
Remaining Title XXI Funds to be Carried Over (Equals Available Funding - Costs - Expiring Funds)	$51,907,027	$70,641,677	$73,794,399	$81,672,564	$73,431,982	$61,751,396	$48,574,823	$35,661,319

Public notice

Virginia's Title XXI Child Health Insurance Plan (CHIP) covers children with family income from 143% to 200% federal poverty level (FPL) under a separate child health plan known as the Family Access to Medical Insurance Security Plan (FAMIS). Virginia's Title XXI Health Insurance Flexibility and Accountability **(**HIFA) Demonstration has two objectives. First, it expands Title XXI coverage to uninsured pregnant women with family income up to 200% FPL (with a 5% income disregard) who are not eligible for Medicaid, through a program known as FAMIS MOMS. Second, it uses Title XXI funds to support a health insurance premium assistance program known as FAMIS *Select*. Children must first be found eligible and enroll in FAMIS before electing coverage through FAMIS *Select*.

Targeting these two populations -- uninsured pregnant women with family income up to 200% FPL (with a 5% income disregard) who are not eligible for Medicaid, and FAMIS-eligible children with access to employer-sponsored or private health insurance – is expected to yield the following outcomes:

- A decrease in the rates of uninsurance among pregnant women,
- An increase in participation in premium assistance in CHIP,
- An increase in access to appropriate medical services, and
- An improvement in certain health outcomes of children.

Virginia's current HIFA Demonstration is approved through June 30, 2016. The Department of Medical Assistance Services (DMAS) proposes to make the following changes to the Demonstration:

- Expand eligibility to include pregnant women who have access to the state employee health plan and who are otherwise eligible for the FAMIS MOMS program; and,
- Add dental services to the benefits available to FAMIS MOMS program enrollees.

No changes are proposed for the FAMIS *Select* program.

Background -- FAMIS MOMS

The purpose of the FAMIS MOMS program is to provide prenatal care to uninsured women living within the Title XXI income range and likely to give birth to a FAMIS-eligible child. The FAMIS MOMS program provides eligible pregnant women the same comprehensive coverage that pregnant women receive from the Virginia Medicaid program. There is no difference in covered services, service limitations, or pre-authorization requirements. The cost sharing requirements for FAMIS MOMS are consistent with those described in the Medicaid State Plan for pregnant women. There are no premiums, enrollment fees, or co-payments for pregnancy-related services. However, consistent with Title XXI requirements, to be eligible for FAMIS MOMS a pregnant woman must be uninsured, not an inpatient in an institution for mental diseases, and – under current policy – not a member of a family eligible for coverage under the state employee health insurance plan. Under the Demonstration infants born to FAMIS children and FAMIS MOMS are deemed eligible for Medicaid or CHIP coverage, as appropriate, on the date of birth and remain eligible until age 1, unless, after a reasonable

opportunity period, DMAS fails to obtain satisfactory documentation of citizenship and identity.

In 2012 health care coverage for pregnant women under FAMIS MOMS was extended to otherwise eligible lawfully residing immigrants, including those in their first five years of lawful residency in the United States, pursuant to § 214 of the Children's Health Insurance Program Reauthorization Act of 2009.

FAMIS MOMS uses the same health care service delivery systems (fee-for-service and managed care organizations) as FAMIS. All pregnant women are initially enrolled under fee-for-service. Approximately 90% of new enrollees are transferred to a managed care organization (MCO) within two months.

Proposal

In September 2014, Governor McAuliffe announced *A Healthy Virginia* – his ten-point plan to improve access to health care services for residents of the Commonwealth. This plan includes initiatives to enhance access to health care coverage under FAMIS and FAMIS MOMS.

Access to coverage for dependents of state employees

The Patient Protection and Affordable Care Act (2010) permits states to extend eligibility in the state's CHIP program (FAMIS) to children of state employees who are otherwise eligible under the state child health plan. At the Governor's direction, DMAS has taken necessary steps to implement this option. DMAS now proposes to extend this opportunity to pregnant women who may access coverage under the state employee health plan and are otherwise eligible for FAMIS MOMS, by amending the Demonstration project.

The FAMIS MOMS upper income limit is set at 200% FPL. For a parent with one child, an income of 200% FPL is $2,622 a month or $31,460 annually (gross income). The median state salary is $38,957 a year while the lowest state salary is $15,371. There are approximately 33,000 state employees with salaries between the lowest and median amounts. The average household size is two. Last year, more than 9,600 full-time state employees qualified for the Earned Income Tax Credit, a federal tax subsidy for lower-income working families.

State employees may cover their dependents through their employee health insurance, but for many families this is not an affordable option. Employees who choose this option face an increase in their insurance premium contributions of approximately $100 to $200 per month. Even with the most comprehensive coverage, employees must also pay co-pays of up to $40 for doctor visits. These out-of-pocket expenses represent a significant reduction in take home pay for many state workers. Some may be forced to opt for employee-only coverage, thereby leaving their dependent family members, including a wife who is or may become pregnant, with no health insurance; others may struggle to pay for rent or other necessities because of the additional cost for their health insurance. Low-income state workers who are pregnant face these same financial struggles and difficult choices about insurance coverage. Reduced access to covered medical services creates increased health risks for pregnant women and their unborn babies. Providing the option to enroll in FAMIS MOMS alleviates a potential barrier to accessing prenatal care and improves the likelihood of a positive birth outcome.

Dental care for pregnant women

At the Governor's direction, Virginia's nationally recognized *Smiles For Children* program is expanding to provide dental benefits to pregnant women in Medicaid. DMAS now proposes to extend these benefits to pregnant women who are otherwise eligible for FAMIS MOMS by amending the Demonstration project.

Dental coverage for pregnant women enrolled in Medicaid or FAMIS MOMS will assist in improving the dental health of the mother, decrease dental emergencies, help deliver a healthy baby and prevent the transmission of cavity-causing bacteria from mother to baby. DMAS is working with the dental benefits administrator, DentaQuest, to implement an oral health program for pregnant women enrolled in Medicaid and FAMIS MOMS. The services are inclusive of those provided in Virginia's *Smiles For Children* program, and similar in scope to dental services available through the Department of Human Resource Management dental benefits for state employees. Services for pregnant women will include the following:

- Diagnostic (x-rays, exams);
- Preventive (cleanings);
- Restorative (fillings);
- Endodontics (root canals);
- Periodontics (gum related treatment);
- Prosthodontics- both removable and fixed (crowns, bridges, partials and dentures);
- Oral surgery (extractions and other oral surgeries), and;
- Adjunctive general services (all covered services that do not fall into specific dental categories).

Pregnant women enrolled in Medicaid and FAMIS MOMS who are 21 years of age and older will be eligible to receive comprehensive benefits, excluding orthodontics, covered by the *Smiles For Children* program. These benefits will be discontinued at the end of the month following the 60th day postpartum.

Estimated Enrollment and Expenditures

Actions of the General Assembly in 2013 ended enrollment of new participants in FAMIS MOMS effective January 1, 2014. As a result, enrollment declined steadily over 2014 as women gave birth and their benefits ended. Overall in FFY 2014, enrollment in FAMIS MOMS averaged 884 pregnant women monthly. The cost of health care benefits during this time period totaled $12,593,890. Administrative costs for both components of the Demonstration (FAMIS MOMS and FAMIS *Select*) totaled $294,705. The total cost of the Demonstration was $13,155,698 of which $8,551,204 was paid by the federal Title XXI fund and $4,604,494 paid by the state general fund.

Enrollment in FAMIS MOMS was reinstated on December 1, 2014. In the first two months, 247 women enrolled; fiscal forecasts are based on a monthly average of 776 during FFY 2015. Eligibility for FAMIS MOMS is highly dependent on family income. While data on the range and averages of state employee income are available, information on the total family income is not known. Therefore, DMAS does not have a reliable estimate of the

number of pregnant women with options for coverage under the state health plan who may be eligible to enroll in FAMIS MOMS.

The projected expense for adding dental coverage for pregnant women in Medicaid and FAMIS MOMS to the DentaQuest contract has been calculated at $0.13 per member per month. Based on the average monthly enrollment of 776 pregnant women in FAMIS MOMS, this equates to a cost of $807 for the remainder of FFY 2015.

Hypothesis and Evaluation

DMAS expects that FAMIS MOMS will continue to be a viable option to obtain quality health care coverage for uninsured pregnant women with family income up to 200% of the federal poverty level who are not eligible for Medicaid. DMAS further expects that pregnant women participating in FAMIS MOMS will receive preventive and treatment dental services. DMAS will evaluate these hypotheses through analyses of enrollment and dental services utilization data.

Waiver and Expenditure Authority

Under the authority of section 1115(a)(2) of the Social Security Act, DMAS may extend health insurance coverage through the CHIP program for those uninsured pregnant women with incomes up to and including 200% of the federal poverty level, including lawfully residing pregnant women.

Under Section 1115 (a) of the Social Security Act, infants born to FAMIS children or FAMIS MOMS are deemed eligible for Medicaid or CHIP coverage, as appropriate, on the date of birth, and remain eligible until attaining the age of 1, unless, after a reasonable opportunity period, DMAS fails to obtain satisfactory documentation of citizenship and identity.

The following title XXI requirements are not applicable for the Virginia FAMIS MOMS and FAMIS *Select* section 1115 Demonstration:

1. General Requirements, Eligibility and Outreach Section 2102

   The Commonwealth's Child Health Insurance Plan (CHIP) does not have to reflect the demonstration populations, and eligibility standards do not have to be limited by the general principles in section 3202(b) of the Act. To the extent other requirements in section 2102 of the Act duplicate Medicaid or other CHIP requirements for these or other populations, they do not apply, except that the State must perform eligibility screening to ensure that the demonstration populations do not include individuals otherwise eligible for Medicaid.

2. Cost Sharing Section 2103(e)

   Rules governing cost sharing under section 2103(e) of the Act shall not apply to the FAMIS *Select* population to the extent necessary to enable the State to impose cost

sharing in private or employer-sponsored insurance plans.

3. Cost-Sharing Exemption for American Indian/ Alaskan Native (AI/AN) Children — Section 2102(b)(3)(D) 42 CFR Section 457.535

To the extent necessary to permit the Commonwealth to impose cost sharing on AI/AN children who elect to enroll in the premium assistance program.

4. Benefit Package Requirements — Section 2103

To permit the Commonwealth to offer a benefit package that does not meet the requirements of section 2103 at 42 CFR section 457.4 10(b)(1) for the demonstration populations.

5. Federal Matching Payment and Family Coverage Limits — Section 2105

Federal matching payment in excess of the 10-percent cap for expenditures related to the demonstration population and limits on family coverage are not applicable to the demonstration population.

Public Review and Comment

Copies of the Demonstration amendment are available for public review from the Department of Medical Assistance Services, Division of Maternal and Child Health, 600 East Broad Street, Richmond, VA 23219 and on the Internet from the Department of Medical Assistance Services home page at http://dmas.virginia.gov/ through a link in the *What's New* column. DMAS is seeking comments on the proposed amendment to the Demonstration. Anyone wishing to submit comments may do so to Joanne Boise by mail at Department of Medical Assistance Services, Division of Maternal and Child Health, 600 East Broad Street, Richmond, VA 23219 or by e-mail to joanne.boise@dmas.virginia.gov. In order to be considered, **comments must be received by March 31, 2015.** DMAS will convene two public hearings to seek public input on the Demonstration amendment. Both oral and written comments may be submitted at that time.

Public Hearing #1:	**Public Hearing #2:**
When: February 12, 2015, 10:00 am Where: Virginia Department of Medical Assistance Services 600 East Broad Street, Room 7D Richmond, Virginia 23219 Conference Call Option: 1-866-842-5779 Passcode: 2761019567	When: March 5, 2015, 1:00 pm Where: Quarterly Children's Health Insurance Advisory Committee Meeting Virginia Community Healthcare Association Westerre Conference Center 3831 Westerre Parkway Henrico, VA 23233

Agency Department of Medical Assistance Services

Board Board of Medical Assistance Services

Chapter Amount, Duration, and Scope of Medical and Remedial Care and Services [12 VAC 30 50]

Action: Dental Services for Pregnant Women

Emergency/NOIRA Stage

Action 4284 / Stage 7099

Documents		
Emergency Text	1/22/2015 11:43 am	
Agency Statement	11/13/2014 (modified 12/29/2014)	
Attorney General Certification	1/14/2015	
Governor's Approval Memo	1/27/2015	

Status	
Public Hearing	Will not be held at the **proposed** stage.
Emergency Authority	2.2-4011(A) of the COV
Exempt from APA	No, this stage/action is subject to article 2 of the *Administrative Process Act* and the standard executive branch review process.
Attorney General Review	Submitted on 12/1/2014 Review Completed: 1/14/2015 Result: Certified
DPB Review	Submitted on 1/15/2015 Review Completed: 1/21/2015 *DPB's policy memo is "Governor's Confidential Working Papers"*
Secretary Review	Secretary of Health and Human Resources Review Completed: 1/21/2015
Governor's Review	Review Completed: 1/27/2015 Result: Approved
Virginia Registrar	Submitted on 1/28/2015 The Virginia Register of Regulations Will be published on 2/23/2015 Volume: 31 Issue: 13
Comment Period	A public comment forum will open on 2/23/2015 and remain open through 3/25/2015
Effective Date	3/1/2015
Expiration Date	8/30/2016

Contact Information	
Name / Title:	Victoria Simmons / *Regulatory Coordinator*
Address:	Policy Division, DMAS 600 E. Broad St., Suite 1300 Richmond, VA 23219
Email Address:	Victoria.Simmons@dmas.virginia.gov
Telephone:	(804)371-6043 FAX: (804)786-1680 TDD: (800)343-0634

CHIPAC
Children's Health Insurance Program Advisory Committee of Virginia

MEETING MINUTES

Meeting minutes – 09/11/14

Virginia Community Healthcare Association
3831 Westerre Parkway
Henrico, VA 23233

Scheduled 1:00 PM – 4:30 PM

The following CHIPAC members were present:

• Paul Speidell	Virginia Hospital & Healthcare Association
• Sara Long	March of Dimes
• Dr. Karen Rheuban	DMAS Board Member
• Michael Cassidy	The Commonwealth Institute for Fiscal Analysis
• Jill Christiansen (Vice Chair)	Partnership for Healthier Kids
• Tia Campbell	Virginia Department of Education
• Dr. Samuel Bartle	Virginia Chapter of the American Academy of Pediatrics
• Kate Honsberger (Chair)	Virginia Health Care Foundation
• Michele Chesser	Joint Commission on Health Care
• Shelby Gonzales	Center on Budget and Policy Priorities
• Michael Muse	Virginia League of Social Services Executives
• Laura Lee Viergever	Virginia Association of Health Plans
• Dr. Dev Nair	Virginia Department of Health
• Rick Shinn	Virginia Community Healthcare Association
• Janet Lung	Virginia Department of Behavioral Health and Developmental Services

The following CHIPAC members sent substitutes:

• Jay Speer sent Jill Hanken	Virginia Poverty Law Center
• Stephanie Sivert sent Jessica Annecchini	Virginia Department of Social Services
• Barbara Harding sent Kendall Lee	VCU Health System

The following CHIPAC members were not present:

• Rodney Willett	Impact Makers
• Dr. Aaron Goldberg	Medical Society of Virginia

The following members of the public were present:

- Jeff Price — Virginia Department of Social Services
- Elizabeth Wright Burak — Center for Children and Families, Georgetown University

The following DMAS staff members were in attendance:

- Tom Lawson, Health Care Services Division
- Rebecca Mendoza, Director, Maternal and Child Health Division
- Shelagh Greenwood, Marketing and Outreach Manager, Maternal and Child Health Division
- Janice Holmes, Program Operations Manager, Maternal and Child Health Division
- Lauren Cunningham, Member Communications Coordinator, Maternal and Child Health Division

Meeting Minutes

Welcome

Kate Honsberger, Chair of CHIPAC, called the meeting to order at 1:08 pm. Honsberger welcomed everyone.

I. CHIPAC Business

A. Approval of Minutes – Paul Speidell pointed out two minor discrepancies in the Legislative Update section, which will be amended. A motion was made and seconded to approve the minutes from the June 5th, 2014 Quarterly CHIPAC meeting. The minutes were approved.

B. Membership Committee Update – Michael Cassidy reminded the group that there would be another New Member Orientation before the December 4th Full Committee meeting for those that had not been able to attend previous orientations.

C. Other business- The committee reviewed letters Honsberger had drafted on behalf of the committee to Cindi Jones, Director of DMAS, and Secretary of Health and Human Resources Dr. William Hazel, discussing the three priority areas CHIPAC had decided to focus on over the next two years. The committee made some minor edits, which Honsberger said she would incorporate into the letter.

Honsberger then asked the committee to focus their attention on a draft of a possible new CHIPAC Priorities and Recommendations Dashboard. Honsberger asked if there were any additional categories that should be addressed on the dashboard. Members discussed adding data on renewals as well as dental claims. Sara Long said she would like to see enrollment numbers, and Shelagh Greenwood said that the enrollment snapshots that are currently presented during the MCH Update at each meeting would be transferred to the dashboard. Paul Speidell said he would like to see a breakdown of trends from report to report and Long added that she would like to see the rate of pre-term births listed. Rebecca Mendoza asked what reporting time frame the committee would like and it was agreed it should be monthly.

II. Legislative Update

Paul Speidell and Jill Hanken presented a quarterly update on legislative issues as they related to the committee. Hanken explained that the General Assembly had met in June for a Special Session, and that language was inserted into the budget that prevented the Governor from taking unilateral action to expand Medicaid. The Governor then asked Secretary of Health and Human Resources Dr. William Hazel to work with his agencies to come up with a plan to expand access to health care. On September 8th, the Governor announced "A Healthy Virginia", a ten-point plan for expanding access to health care across Virginia, which takes advantage of federal dollars available to the Commonwealth. Hanken reported that there would be new money for children's health outreach to enroll kids in Medicaid or FAMIS; expanded outreach and education on the Federally Funded Marketplace; that FAMIS would now be available to children of state employees under 200% of the Federal Poverty Limit; and pregnant women would have access to dental care. Additionally, Hanken said Virginia would also be applying for a waiver from the federal government for services for the severely mentally ill under 200% of the Federal Poverty Limit.

Speidell went on to tell the committee that a special session of the General Assembly would meet September 18th, now that the issue of Medicaid expansion has been separated from the budget. Speidell said it was unclear how things will be handled at this point, and that Del. Tom Rust has a piece of legislation that may be considered. It provides a bridge over short term coverage. Speidell closed by saying that there is little reason for significant optimism that the coverage gap will be closed. Laura Lee Viergever added that the Rust bill is based on something that has been tried in New Hampshire.

III. CHIP Funding Re-Authorization Presentation

Elizabeth Wright Burak, Senior Program Director at the Georgetown University McCourt School of Public Policy Health Policy Institute's Center for Children and Families presented an overview of the current state and future of the Children's Health Insurance Program (CHIP). Burak explained there had been unprecedented progress covering children nationwide thanks to Medicaid and CHIP, even as more children have slipped into poverty over the last 6 years. Burak presented statistics on the rates of uninsured children by state and explained that children are much less likely to be uninsured than adults, but explained that there was still much more work to do. Burak went on to explain how low-income children are covered and how CHIP is structured and funded. She then discussed the changing role of CHIP in states across the nation and explained the impact on children in Virginia if CHIP funding is not renewed. Burak also addressed the topic of whether children's coverage is better in CHIP or the exchange, explaining that CHIP is more affordable for families and offers additional benefits. Burak closed by saying that House and Senate bills were introduced during the summer to extend CHIP funding.

Jill Hanken suggested that the committee draft a letter to Cindi Jones at DMAS saying that they would like the federal delegation from Virginia to support the reauthorization of CHIP. Paul Speidell pointed out that he thought the committee would be wise not to support one bill in particular, but rather the concept of CHIP re-authorization as a whole. Michael Cassidy said he would be happy to draft the letter.

IV. DSS Update

Jeff Price from the Virginia Department of Social Services gave a presentation to the committee on the status of medical assistance application processing. He presented slides on the status of weekly and monthly application processing, how each application was received, whether the individuals were determined eligible, and the status of overdue cases. Price reported that there were currently 4,600 applications that were still pending 45 days or longer.

V. DMAS Update

Mendoza outlined Governor McAuliffe's initiatives that include: extending coverage to 20,000 adults aged 19-64 experiencing serious mental illness; improving the coordination of care for adults and children already covered by Medicaid who have a serious mental illness; signing up more Virginians for the Federal Marketplace, Medicaid and FAMIS (including 35,000 more children in FAMIS and 160,000 people in the federal marketplace for health insurance); expanding marketing and outreach to increase enrollment; a redesign of the Cover Virginia website; opening up FAMIS eligibility to the children of state workers; and providing dental coverage to pregnant women in Medicaid and FAMIS. Jill Hanken asked for the definition of 'severely mentally ill' and Mendoza said that the state was using a definition across the board. Tia Campbell asked where the number of 20,000 adults experiencing serious mental health issues came from, and Mendoza said she believed that was estimated based on what the state had to spend. Michael Cassidy asked what type of state employees would now be eligible to have their children covered by FAMIS and Mendoza said the expansion of benefits was targeted at full time, lower income employees.

Mendoza went on to discuss expanding the scope of Cover Virginia. She explained that the Cover Virginia Call Center had begun handling backlogged Federally Funded Marketplace (FFM) applications on August 18th. Mendoza also said that coming later this fall would be a new Cover Virginia Central Processing Unit (CPU) which would determine eligibility of new telephonic, online and FFM applications. She went on to discuss new enhancements to the Cover Virginia Call Center and give an overview of recent call volume, the impact of the Back To School campaign, and enrollment numbers for the Hospital Presumptive Eligibility and Deemed Newborns programs.

Mendoza then explained that DMAS is awaiting final approval from CMS to reinstate the FAMIS MOMS program, and that the implementation date for the increase in FPL for the Plan First program will coincide with the reinstatement of FAMIS MOMS. Mendoza concluded her presentation by giving snapshots enrollment in FAMIS programs.

Jill Hanken asked when the full backlog of FFM applications was expected to be completed and Mendoza said that date was currently being reevaluated

VI. What other states are doing to fast track enrollment

Shelby Gonzales presented an overview of fast track options for enrollment in Medicaid. Gonzales explained that there is a current movement nationwide towards electronic data driven eligibility decisions, and that there has also been a focus on SNAP, as most SNAP households will have members eligible for Medicaid in states that expand. Gonzales went on to give a rundown of express lane eligibility and the Fast Track Waiver option. Gonzales closed by saying that more than 600,000 people have been enrolled using this option.

VII. Perspectives from Health Plans on Adolescent Health

Laura Lee Viergever spoke on behalf of the Virginia Association of Health Plans on what each health plan was doing with regards to adolescent health initiatives and programs. Viergever explained what the 6 health plans currently enrolling new members in Virginia are doing to connect with adolescents. This includes offering educational opportunities for adolescents and their families to learn about healthy choices; encouraging adolescents to seek appropriate health care services including well visits and follow up care; and offering programs specially designed to reach adolescents and their families whether they are healthy or in crisis.

VIII. Public Comment

There was no comment from the public

IX. Agenda for December 4th, 2014 CHIPAC Meeting

Honsberger gave a quick overview of topics for the next meeting, based on holdover topics from previous meetings. Honsberger said that presentations had been requested on teen pregnancy rates, adolescent mental health, and adolescent health perspectives from providers. Dr. Dev Nair said he would coordinate with someone from the Virginia Department of Health to present on teen pregnancy rates. Honsberger said that there would be a presentation on adolescent mental health from Magellan. Dr. Samuel Bartle said he would be happy to reach out to the Virginia Chapter of the American Academy of Pediatrics to coordinate a presentation on adolescent health perspectives from providers.

Closing

The meeting was adjourned at 4:38pm.

DAC Draft Minutes

Minutes from the Dental Advisory Committee (DAC)
DMAS 11 AM – 1 PM
November 21, 2014

DAC Members Present	
Carl Atkins DDS	Sarah Bedard Holland
Chuck Duvall	Paul Walker, DDS
Frank Farrington DDS	Neal Graham
Joe Paget, DDS	Zachary Hairston, DDS
Girish Banaji DDS	Terry Dickenson, DDS
Tegwyn Brickhouse, DDS	Barry Griffin, DDS
John Unkel, DDS	
DAC Members Absent	
Cynthia Southern, DDS	Lynn Browder, DDS
Randy Adams, DDS	Ivan Schiff, DDS
Bhavana Shroff, DDS	John Ashby, DDS
David Hamer DDS	
DMAS Attendees	
Daniel Plain	Cheryl Roberts
Bryan Tomlinson	Lisa Bilik
Myra Shook	Pat Bryant
Cindi Jones	Dr. Marjorie Chema
DentaQuest Attendees	
Kristen Gilliam	Cheryl Harris
Bridget Hengle	Katherine Mulligan
Waradah Eargle	Jackie Wake
Other Attendees	
Nicole Pugar	Susan Lanni, MD
Robert Klink, MD	Jessica Park
Katherine Libby	Terri Harriston
Todd Clark	Nicole Poulin
Laura Givens	

Welcome
Bryan Tomlinson called the meeting to order at 11:06 AM and welcomed DAC members.

Approval of Minutes
Mr. Tomlinson received a motion to approve the minutes from the May 16, 2013 DAC meeting with one amendment. The amendment was made by Kristen Gilliam regarding the new method of credentialing for providers. AppCentral is a web-based application which assists providers with the credentialing online. With the correction, the minutes were approved.

DMAS Updates

Cindi Jones, Director of the Department of Medical Assistance Services (DMAS), provided an update on Governor McAuliffe's "A Healthy Virginia 10 Point Plan". She discussed each of the 10 items covered under the plan, emphasizing the step which provides comprehensive dental coverage for pregnant women in Medicaid and FAMIS. Ms. Jones concluded her presentation by thanking the DAC for their continued service and dedication to the oral health care of Virginia's eligible Medicaid enrollees.

Dental Coverage for Pregnant Women

Dr. Marjorie Chema, DDS, facilitated a discussion on dental coverage for pregnant women. Dr. John Unkel, MD, DDS, and a member of the DAC, presented information on the literature. Dr. Unkel provided a thorough review of various literature on the topic from medical and dental research. He stated there was conflicting information regarding the impacts of dental care and birth outcomes. He found no information regarding dental care and improved birth outcomes. He did discuss the role of the dentist prior to pregnancy in treating inflammatory disease, stating this may be where the dental care can have the greatest impact.

Dr. Barry Griffin, DDS is a periodontist who serves on the DAC. He presented information from the Federation and American Academy of Periodontists. Pre-term births are the 2nd leading cause of deaths in children. His research indicated that the goal of dental care during pregnancy is to decrease inflammation and bacteria. Lessening the amount of inflammation is key to the oral health of pregnant women. With this, however, there was no impact shown on decreasing pre-term births and low-birth weight babies. He stated that non-surgical means cannot be accurately associated with pregnancy outcomes. He stated caring for any discomfort of a pregnant woman is key. Dr. Frank Farrington, DDS stated that if the pregnant woman is poor general health, then more than likely, the baby will also have poor oral health. Dr. Unkel concurred and stated the OBGYN was the best point of referral to a dentist during pregnancy. Dr. Robert Klink, MD and practicing OBGYN, agreed. Dr. Terry Dickinson, DDS brought up the work being done in genetics testing, looking at a pro-inflammatory gene which may be important to dental health during pregnancy.

Dr. Zachary Hairston, DDS treats pregnant women in his dental practice. He said the key was the education of the pregnant woman about the need for strong oral hygiene while she was pregnant into the post-partum period. He broke down the education into two phases: 1) while the woman is pregnant, and 2) after the baby is born. He feels the important time for the woman is in the post-partum period. He added that the other big issue for this population was compliance with carrying through with procedures while pregnant. He indicated he delays surgical issues which are not an emergency when working with pregnant women, and involves the practicing physicians as well.

Several DAC members expressed the need for education of both the pregnant woman but also for the dental providers. Dr. Paul Walker stated the need to establish a protocol for treating pregnant members by establishing a standard of care. This was addressed by emphasizing the need for professional discretion by the dental provider in treating

pregnant women. Dr. Tegwyn Brickhouse, DDS, reiterated the need for strong professional training opportunities for dentists on treating pregnant women. Sarah Holland stated she was pleased for the opportunity for pregnant women to have coverage and noted it would be a good connection to the early dental home initiative. It was also suggested to have the DAC members review the Medicaid memo draft prior to it being distributed to providers.

Two physicians joined the DAC as guest to provide a literature review on the impact of dental care during pregnancy, looking at pregnancy outcomes regarding low-birth weight and pre-term births. Dr. Robert Klink, MD, is an obstetrician who has been delivering prenatal care in rural Gloucester for 34 years. Approximately 70% of his patient population is on Medicaid. He is a strong proponent for dental care for pregnant women. He emphasized the need for education and increased communication to obstetricians on the need for oral health care during pregnancy. He also stated the obstetricians needed to be made aware of the concerns the dentists had in treating pregnant women.

Dr. Klink mentioned the need for quality metrics to be able to document outcomes for the program. He suggested looking at the numbers to note an increase in utilization of services vs trying to note decreases in pre-term births and low-birth weight.

Dr. Susan Lanni is in the Department of Fetal Medicine at VCU. She suggested the obstetrician be the point of contact for all care during pregnancy. This would provide the pregnant woman with an advocate who could give guidance on what to do with pain in the mouth. She reiterated the need for provider education both with dentists and obstetricians. Also, she addressed the issue of compliance with appointments, stating it was hard to get the pregnant women in for primary care.

Dr. Marjorie Chema, Dental Program Consultant, read a statement from Dr. Roger Palmer. Dr. Palmer is a dentist .....Marji, can you fill this part in on what Dr. Palmer's comments were?

After the discussion, the DAC agreed to the formation of a small working group to further examine the issues and to provide suggested action steps for the DAC's review and approval. Dr. Chema will work with Dr. Dickinson and to form the group. They will provide a report to the DAC at the May 2015 meeting.

Deferred Compensation Update

Bryan Tomlinson provided an update on House Bill 147 which allows for providers in the SFC program to participate in the state's deferred compensation plan. DMAS staff and staff from the Virginia Retirement System (VRS) worked to gather information regarding the implementation of the program. Information was gathered from other states such as Louisiana and Arkansas to learn how their deferred compensation programs were established for Medicaid providers. From a VRS and defined contribution plans perspective, as long as the Medicaid provider, in this case a Medicaid dentist, is paid via an individual SSN or tax ID, through a common remitter such as DentaQuest, the

deferrals into the Commonwealth of Virginia 457 Plan can be accomplished. Approximately 20 percent of the SFC network providers fall into this category.

Under DMAS's current arrangement with DentaQuest, providers have to elect whether they will be paid via their SSN or the tax ID for their corporation or group practice. The provider may not use more than one provider number. Most payments in Virginia for Medicaid services to dentists are made to group practices versus individual dentists. For purposes of 457 plans (deferred compensation), payments to group practices are ineligible. According to IRC regulations, once deferrals go into a trust, such funds can only be removed under very specific and limited circumstances, and thus adjustments are typically made by adjusting future contributions rather than the deferred compensation fund itself.

DentaQuest estimates the project implementation and development cost to equal $233,465. Additionally, another $285,000 is projected for annual maintenance and administrative costs. This provides an overall total of $518,465.00 for the first year of the project. Chuck Duval asked why these figures were different than those provided during the GA session ($60,000). Mr. Tomlinson stated the $60,000 was a figure generated by budget staff verses the figures estimated by DentaQuest. Also, Mr. Duval shared that he had the impression DMAS did not want to carry forward with this project. Mr. Tomlinson and Ms. Roberts assured the DAC that was not the case, and that DMAS staff was continuing to work within the IRS regulations to open the opportunity to participate in the VRS deferred compensation program in 2015.

Another question was posed by Neal Graham regarding the uptake of the opportunity to enroll in the program and if it was open to other types of providers. Staff at DMAS are working to contact the staff in Louisiana to ascertain just this information.

***Smiles For Children (SFC)* Program Review**

Kristen, would you fill this in please?

Other Business/Next Meeting

Bryan Tomlinson ended the meeting and stated that the next DAC meeting will be held on May 15, 2015. All DAC meetings occur on the third Friday of May and November respectively.

Agency Department of Medical Assistance Services

Board Board of Medical Assistance Services

Meeting: Public Hearing on FAMIS MOMS Amendment

Meeting Details	
Date / Time	2/12/2015 10:00 am
Location	Department of Medical Assistance Services 600 East Broad Street Richmond, VA 23219 Conference Room 7D
Board Website	http//www.dmas.virginia.gov
Agenda document	not available

Disability Friendly? No **Deaf interpreter available upon request?** No

Purpose of the meeting

The Department of Medical Assistance Services is seeking public comment on two proposed changes to the FAMIS MOMS program: (1) allow pregnant women who have access to the state employee health care plan, and otherwise qualify for FAMIS MOMS, to enroll in the program; and (2) add coverage for dental care to the FAMIS MOMS program.

Meeting Scope	
	[X] General business of the board
	[ ] Discuss particular regulations / chapters
	[ ] Public hearing to discuss a proposed change

Contact Information	
Name / Title:	Emily McClellan / *Regulatory Manager*
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Agency Department of Medical Assistance Services

Board Board of Medical Assistance Services

Meeting: Public Hearing on FAMIS MOMS Amendment

Meeting Details	
Date / Time	3/5/2015 1:00 pm
Location	Children"s Health Insurance Program Advisory Committee Meeting Virginia Community Healthcare Association Westerre Conference Center 3831 Westerre Parkway, Henrico, VA 23233
Board Website	http//www.dmas.virginia.gov
Agenda document	not available

Disability Friendly? No **Deaf interpreter available upon request?** No

Purpose of the meeting

The Department of Medical Assistance Services is seeking public comment on two proposed changes to the FAMIS MOMS program: (1) allow pregnant women who have access to the state employee health care plan, and otherwise qualify for FAMIS MOMS, to enroll in the program; and (2) add coverage for dental care to the FAMIS MOMS program.

Meeting Scope	
	[X] General business of the board
	[ ] Discuss particular regulations / chapters
	[ ] Public hearing to discuss a proposed change

Contact Information	
Name / Title:	Emily McClellan / *Regulatory Manager*
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Agency Department of Medical Assistance Services

Board Board of Medical Assistance Services

General Notice

Amendments to Enhance FAMIS MOMS

Date Posted: 2/2/2015

Expiration Date: 3/3/2015

Submitted to Registrar for publication: YES

Virginia's Title XXI Child Health Insurance Plan (CHIP) covers children with family income from 143% to 200% federal poverty level (FPL) under a separate child health plan known as the Family Access to Medical Insurance Security Plan (FAMIS). Virginia's Title XXI Health Insurance Flexibility and Accountability (HIFA) Demonstration has two objectives. First, it expands Title XXI coverage to uninsured pregnant women with family income up to 200% FPL (with a 5% income disregard) who are not eligible for Medicaid, through a program known as FAMIS MOMS. Second, it uses Title XXI funds to support a health insurance premium assistance program known as FAMIS *Select*. Children must first be found eligible and enroll in FAMIS before electing coverage through FAMIS *Select*.

Targeting these two populations -- uninsured pregnant women with family income up to 200% FPL (with a 5% income disregard) who are not eligible for Medicaid, and FAMIS-eligible children with access to employer-sponsored or private health insurance – is expected to yield the following outcomes:

- A decrease in the rates of uninsurance among pregnant women,
- An increase in participation in premium assistance in CHIP,
- An increase in access to appropriate medical services, and
- An improvement in certain health outcomes of children.

Virginia's current HIFA Demonstration is approved through June 30, 2016. The Department of Medical Assistance Services (DMAS) proposes to make the following changes to the Demonstration:

- Expand eligibility to include pregnant women who have access to the state employee health plan and who are otherwise eligible for the FAMIS MOMS program; and,
- Add dental services to the benefits available to FAMIS MOMS program enrollees.

No changes are proposed for the FAMIS *Select* program.

Background -- FAMIS MOMS

The purpose of the FAMIS MOMS program is to provide prenatal care to uninsured women living within the Title XXI income range and likely to give birth to a FAMIS-eligible child. The FAMIS MOMS program provides eligible pregnant women the same comprehensive coverage that pregnant women receive from the Virginia Medicaid program. There is no difference in covered services, service limitations, or pre-authorization requirements. The cost sharing requirements for FAMIS MOMS are consistent with those described in the Medicaid State Plan for pregnant women. There are no premiums, enrollment fees, or co-payments for pregnancy-related services. However, consistent with Title XXI requirements, to be eligible for FAMIS MOMS a pregnant woman must be uninsured, not an inpatient in an institution for mental diseases, and – under current policy – not a member of a family eligible for coverage under the state employee health insurance plan. Under the Demonstration infants born to FAMIS children and FAMIS MOMS are deemed eligible for Medicaid or CHIP coverage, as appropriate, on the date of birth and remain eligible until age 1, unless, after a reasonable opportunity period, DMAS fails to obtain satisfactory documentation of citizenship and identity.

In 2012 health care coverage for pregnant women under FAMIS MOMS was extended to otherwise eligible lawfully residing immigrants, including those in their first five years of lawful residency in the United States, pursuant to § 214 of the Children's Health Insurance Program Reauthorization Act of 2009.

FAMIS MOMS uses the same health care service delivery systems (fee-for-service and managed care organizations) as FAMIS. All pregnant women are initially enrolled under fee-for-service. Approximately 90% of new enrollees are transferred to a managed care organization (MCO) within two months.

Proposal

In September 2014, Governor McAuliffe announced *A Healthy Virginia* – his ten-point plan to improve access to health care services for residents of the Commonwealth. This plan includes initiatives to enhance access to health care coverage under FAMIS and FAMIS MOMS.

Access to coverage for dependents of state employees

The Patient Protection and Affordable Care Act (2010) permits states to extend eligibility in the state's CHIP program (FAMIS) to children of state employees who are otherwise eligible under the state child health plan. At the Governor's direction, DMAS has taken necessary steps to implement this option. DMAS now proposes to extend this opportunity to pregnant women who may access coverage under the state employee health plan and are otherwise eligible for FAMIS MOMS, by amending the Demonstration project.

The FAMIS MOMS upper income limit is set at 200% FPL. For a parent with one child, an income of 200% FPL is $2,622 a month or $31,460 annually (gross income). The median state salary is $38,957 a year while the lowest state salary is $15,371. There are approximately 33,000 state employees with salaries between the lowest and median amounts. The average household size is two. Last year, more than 9,600 full-time state employees qualified for the Earned Income Tax Credit, a federal tax subsidy for lower-income working families.

State employees may cover their dependents through their employee health insurance, but for many families this is not an affordable option. Employees who choose this option face an increase in their insurance premium contributions of approximately $100 to $200 per month. Even with the most comprehensive coverage, employees must also pay co-pays of up to $40 for doctor visits. These out-of-pocket expenses represent a significant reduction in take home pay for many state workers. Some may be forced to opt for employee-only coverage, thereby leaving their dependent family members, including a wife who is or may become pregnant, with no health insurance; others may struggle to pay for rent or other necessities because of the additional cost for their health insurance. Low-income state workers who are pregnant face these same financial struggles and difficult choices about insurance coverage. Reduced access to covered medical services creates increased health risks for pregnant women and their unborn babies. Providing the option to enroll in FAMIS MOMS alleviates a potential barrier to accessing prenatal care and improves the likelihood of a positive birth outcome.

Dental care for pregnant women

At the Governor's direction, Virginia's nationally recognized *Smiles For Children* program is expanding to provide dental benefits to pregnant women in Medicaid. DMAS now proposes to extend these benefits to pregnant women who are otherwise eligible for FAMIS MOMS by amending the Demonstration project.

Dental coverage for pregnant women enrolled in Medicaid or FAMIS MOMS will assist in improving the dental health of the mother, decrease dental emergencies, help deliver a healthy baby and prevent the transmission of cavity-causing bacteria from mother to baby. DMAS is working with the dental benefits administrator, DentaQuest, to implement an oral health program for pregnant women enrolled in Medicaid and FAMIS MOMS. The services are inclusive of those provided in Virginia's *Smiles For Children* program, and similar in scope to dental services available through the Department of Human Resource Management dental benefits for state employees. Services for pregnant women will include the following:

- Diagnostic (x-rays, exams);
- Preventive (cleanings);
- Restorative (fillings);
- Endodontics (root canals);
- Periodontics (gum related treatment);
- Prosthodontics- both removable and fixed (crowns, bridges, partials and dentures);
- Oral surgery (extractions and other oral surgeries), and;
- Adjunctive general services (all covered services that do not fall into specific dental categories).

Pregnant women enrolled in Medicaid and FAMIS MOMS who are 21 years of age and older will be eligible to receive comprehensive benefits, excluding orthodontics, covered by the *Smiles For Children* program. These benefits will be discontinued at the end of the month following the 60th day postpartum.

Estimated Enrollment and Expenditures

Actions of the General Assembly in 2013 ended enrollment of new participants in FAMIS MOMS effective January 1, 2014. As a result, enrollment declined steadily over 2014 as women gave birth and their benefits ended. Overall in FFY 2014, enrollment in FAMIS MOMS averaged 884 pregnant women monthly. The cost of health care benefits during this time period totaled $12,593,890. Administrative costs for both components of the Demonstration (FAMIS MOMS and FAMIS *Select*) totaled $294,705. The total cost of the Demonstration was $13,155,698 of which $8,551,204 was paid by the federal Title XXI fund and $4,604,494 paid by the state general fund.

Enrollment in FAMIS MOMS was reinstated on December 1, 2014. In the first two months, 247 women enrolled; fiscal forecasts are based on a monthly average of 776 during FFY 2015. Eligibility for FAMIS MOMS is highly dependent on family income. While data on the range and averages of state employee income are available, information on the total family income is not known. Therefore, DMAS does not have a reliable estimate of the number of pregnant women with options for coverage under the state health plan who may be eligible to enroll in FAMIS MOMS.

The projected expense for adding dental coverage for pregnant women in Medicaid and FAMIS MOMS to the DentaQuest contract has been calculated at $0.13 per member per month. Based on the average monthly enrollment of 776 pregnant women in FAMIS MOMS, this equates to a cost of $807 for the remainder of FFY 2015.

Hypothesis and Evaluation

DMAS expects that FAMIS MOMS will continue to be a viable option to obtain quality health care coverage for uninsured pregnant women with family income up to 200% of the federal poverty level who are not eligible for Medicaid. DMAS further expects that pregnant women participating in FAMIS MOMS will receive preventive and treatment dental services. DMAS will evaluate these hypotheses through analyses of enrollment and dental services utilization data.

Waiver and Expenditure Authority

Under the authority of section 1115(a)(2) of the Social Security Act, DMAS may extend health insurance coverage through the CHIP program for those uninsured pregnant women with incomes up to and including 200% of the federal poverty level, including

lawfully residing pregnant women.

Under Section 1115 (a) of the Social Security Act, infants born to FAMIS children or FAMIS MOMS are deemed eligible for Medicaid or CHIP coverage, as appropriate, on the date of birth, and remain eligible until attaining the age of 1, unless, after a reasonable opportunity period, DMAS fails to obtain satisfactory documentation of citizenship and identity.

The following title XXI requirements are not applicable for the Virginia FAMIS MOMS and FAMIS *Select* section 1115 Demonstration:

1. General Requirements, Eligibility and Outreach Section 2102

The Commonwealth's Child Health Insurance Plan (CHIP) does not have to reflect the demonstration populations, and eligibility standards do not have to be limited by the general principles in section 3202(b) of the Act. To the extent other requirements in section 2102 of the Act duplicate Medicaid or other CHIP requirements for these or other populations, they do not apply, except that the State must perform eligibility screening to ensure that the demonstration populations do not include individuals otherwise eligible for Medicaid.

2. Cost Sharing Section 2103(e)

Rules governing cost sharing under section 2103(e) of the Act shall not apply to the FAMIS *Select* population to the extent necessary to enable the State to impose cost sharing in private or employer-sponsored insurance plans.

3. Cost-Sharing Exemption for American Indian/ Alaskan Native (AI/AN) Children Section 2102(b)(3)(D) 42 CFR Section 457.535

To the extent necessary to permit the Commonwealth to impose cost sharing on AI/AN children who elect to enroll in the premium assistance program.

4. Benefit Package Requirements Section 2103

To permit the Commonwealth to offer a benefit package that does not meet the requirements of section 2103 at 42 CFR section 457.4 10(b)(1) for the demonstration populations.

5. Federal Matching Payment and Family Coverage Limits Section 2105

Federal matching payment in excess of the 10-percent cap for expenditures related to the demonstration population and limits on family coverage are not applicable to the demonstration population.

Public Review and Comment

Copies of the Demonstration amendment are available for public review from the Department of Medical Assistance Services, Division of Maternal and Child Health, 600 East Broad Street, Richmond, VA 23219 and on the Internet from the Department of Medical Assistance Services home page at http://dmas.virginia.gov/ through a link in the *What's New* column. DMAS is seeking comments on the proposed amendment to the Demonstration. Anyone wishing to submit comments may do so to Joanne Boise by mail at Department of Medical Assistance Services, Division of Maternal and Child Health, 600 East Broad Street, Richmond, VA 23219 or by e-mail to joanne.boise@dmas.virginia.gov. In order to be considered, **comments must be received by March 31, 2015.** DMAS will convene two public hearings to seek public input on the Demonstration amendment. Both oral and written comments may be submitted at that time.

Public Hearing #1:	**Public Hearing #2:**
When: February 12, 2015, 10:00 am	When: March 5, 2015, 1:00 pm
Where: Virginia Department of Medical Assistance Services 600 East Broad Street, Room 7D Richmond, Virginia 23219 Conference Call Option: 1-866-842-5779 Passcode: 2761019567	Where: Quarterly Children's Health Insurance Advisory Committee Meeting Virginia Community Healthcare Association Westerre Conference Center 3831 Westerre Parkway Henrico, VA 23233

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Public Hearing on FAMIS MOMS Amendment

Event Details

Meeting	Public Hearing on FAMIS MOMS Amendment
Hosted by	Department of Medical Assistance Services
Start date	February 12, 2015 at 10:00 AM
Location	Department of Medical Assistance Services 600 East Broad Street Richmond, VA 23219 Conference Room 7D Directions
Details	The Department of Medical Assistance Services is seeking public comment on two proposed changes to the FAMIS MOMS program: (1) allow pregnant women who have access to the state employee health care plan, and otherwise qualify for FAMIS MOMS, to enroll in the program; and (2) add coverage for dental care to the FAMIS MOMS program.
Deaf Interpreter Available Upon Request	No
Handicap Accessible	No

Person to Contact for Additional Information:

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