The Virginia Department of Medical Assistance Services (DMAS), the state Medicaid agency, has a long and robust history in using managed care to serve its Medicaid enrollees. The DMAS has been leveraging its Medicaid managed care program to advance the use of innovative payment and delivery system models, including the medical home model, to improve care for children and adults. While Virginia launched its Medicaid managed care program in 1996, DMAS’s risk-based managed care program reached statewide implementation in 2012, enrolling most children and adults on a mandatory basis. Since that time, the reach of the Virginia’s managed care program has continued to grow as DMAS has transitioned additional populations into managed care that had historically been excluded, such as foster care youth.

Currently, DMAS operates two managed care programs—Medallion 4.0 and Commonwealth Coordinated Care (CCC) Plus—that cover an estimated 90% of Virginia’s Medicaid enrollees. Both managed care programs are advancing the use of comprehensive, coordinated, family-centered care models for children, as well as adults. More details on the program components, payment models, and outcomes for Medallion 4.0 and CCC Plus are provided below.

**PROGRAM COMPONENTS**

Medallion 4.0

Medallion 4.0 is the latest iteration of the state’s risk-based managed care program for Medicaid and Children’s Health Insurance Program (CHIP) enrollees, which was launched in July 2018. After being fully phased in, Medallion 4.0 will cover an estimated 740,000 individuals, covering approximately three-quarters of DMAS’s Medicaid managed care enrollees. Risk-based Medicaid managed care is a delivery system model through which the state contracts with managed care organizations (MCOs) to cover Medicaid-eligible services for their enrollees. Under risk-based managed care, MCOs receive capitated payments—fixed per member per month payments that are designed to cover the costs of these services. In Virginia, DMAS currently contracts with six MCOs to provide care for its Medallion 4.0 enrollees.

In addition to providing a comprehensive set of services, Medallion MCOs are implementing innovative payment and delivery system reform initiatives to improve health outcomes and contain costs, one of which is the Medallion System and Innovation Partnership (MSIP). Previously, MSIP was referred to as the Medallion Care System Partnership (MCSP).
MSIP is designed to integrate primary, acute, and complex health care. Through MSIP, MCOs partner with a group of their contracted providers to form a health care home, the DMAS term for a medical home, or an alternative integrated delivery system model, as approved by DMAS, in order to provide a coordinated, team-based approach to care. While MCOs have some flexibility in their approach to MSIP, their MSIPs must target pediatric populations and coordinate their members’ primary, acute, and behavioral health care services.

The MCOs develop annual evaluation plans to monitor MSIP performance and track costs. The annual evaluation plans also include the quality measures and benchmarks that serve as the basis for assessing provider performance and are linked to incentive payments. The quality measures are selected from a list of measures established by DMAS.

In addition to implementing MSIPs, MCOs are also required to develop a comprehensive system of care for children ages 13-18, and to ensure that the system of care is able to support children and youth with special health care needs and provide transition planning services to youth.

Commonwealth Coordinated Care Plus (CCC Plus)
In 2017, DMAS launched CCC Plus, the state’s managed long-term services and supports program serving approximately 210,000 Medicaid enrollees, including children and adults, with disabilities and complex care needs. The CCC Plus is an integrated delivery model that uses comprehensive care coordination and a person-and-family-centered approach to providing the full continuum of medical services, behavioral health services, and long-term services and supports.

Through CCC Plus, MCOs are required to establish health homes for the children and adults that are enrolled in the program. Health homes leverage existing community resources and puts the primary care provider at the center of the enrollees’ care. The MCOs also oversee the formation and implementation of interdisciplinary care teams to meet the needs of their enrollees (eg, medical, behavioral health, long-term services and supports, early intervention and social needs). Additionally, every CCC Plus enrollee is assigned a care coordinator, who is responsible for completing the following functions:

- conducting a Health Risk Assessment
- developing a person-centered, culturally competent individualized care plan
- developing relationships with providers across the care continuum
- serving as the primary point of contact for the enrollees and the interdisciplinary care team, and coordinating the care team
- supporting seamless transitions to and from hospitals, nursing facilities and the community
- monitoring the provision of services and progress toward goals
PAYMENT MODEL

Medallion 4.0
Under Medallion 4.0, DMAS provides monthly capitation payments to its MCOs, which then reimburse providers for services provided to their enrollees. For the MSIP program, MCOs are required to implement value-based payments for the health care homes. The MCOs have flexibility in determining the value-based payment arrangements and the quality measures underlying the selected arrangement, thus the payments to providers vary based on their contracts with the MCOs. The value-based payment arrangements may include the following:

- gain sharing, in which providers receive a share of the savings, if savings are achieved
- risk sharing, in which providers are accountable for costs that exceed the set benchmarks
- performance-based incentives, in which provider payments are linked to their performance on specific metrics
- other incentive reforms tied to DMAS-approved quality metrics and financial performance.

CCC Plus
Similar to Medallion 4.0, CCC Plus MCOs receive monthly capitation payments that are designed to cover the costs of services provided through its integrated model of care. The MCOs are responsible for reimbursing providers with whom they contract.

As DMAS works to shift from fee-for-service payment models to payment models that are linked to provider performance and outcomes, it is requiring CCC Plus MCOs to develop and implement value-based payment arrangements. Each MCO develops an Annual Value-Based Payment Plan that details its approach to alternative payment models, and the MCOs also must submit an annual status report that describes their progress in implementing value-based payments. DMAS plans to set targets for the percent of MCO payments that must be value-based, beginning in 2019, and expects MCOs’ value-based payments to increase by 5% each year.

OUTCOMES

The DMAS, in accordance with federal regulations, has developed a comprehensive quality strategy to monitor outcomes and improve the quality of care provided by its Medallion and CCC Plus managed care programs.

As part of this quality strategy, MCOs in both programs report on quality measures identified by DMAS that align with the following domains:

- Enhance member experience and engagement in person-centered care
- Improve quality of care
- Improve population health
- Reduce per capita costs

For CCC Plus and Medallion, examples of measures related to quality of care for children include children and adolescents’ access to primary care practitioners, well-child visits and adolescent well-care visit, asthma medication management, and use of first-line psychosocial care for children and adolescents on antipsychotics.
All MCOs assess patient and family experience by administering the Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey on an annual basis. Medallion MCOs use CAHPS Child Survey, while CCC Plus MCOs use the CAHPS Child Survey with the item set for children with chronic conditions. Additionally, CCC Plus MCOs must collect outcomes data to specifically monitor and assess the impact of behavioral health services. DMAS continues to refine a specific set of measures for MCOs to report on to cover the following outcomes:

- Recidivism
- Adverse occurrences
- Treatment terminations or discharges against medical advice
- Community tenure
- Utilization measures such as access to care, hospital admissions and readmissions, emergency department visits and coordination with medical care
- Social determinants of health such as employment or school attendance, availability of housing, social connectedness and criminal justice
- Recovery oriented measures
- Member satisfaction
- Cost measures

All MCOs—both those in Medallion and CCC Plus—also conduct Performance Improvement Projects (PIPs), which are projects that improve processes and outcomes for specific aspects of care through ongoing measurement and intervention. The DMAS identifies or approves the specific topic areas that the PIPs will target annually, including clinical areas (eg, prevention and care of acute and chronic conditions, behavioral health, high-volume services, high-risk services, and more) and non-clinical areas (eg, accessibility, cultural competency of services, care transition and continuity, coordination of care and care management, and more).

**FAST FACTS:**

- **642, 391:** The number of children enrolled in Medicaid and CHIP in Virginia in FY 2016
- **91.2%:** The participation rate for children eligible for the Virginia Medicaid and CHIP program in 2015
- **93.1%:** The national participation rate for those eligible for the Medicaid and CHIP program in 2015

For more information on state public health initiatives related to pediatric medical home, visit [www.medicalhomeinfo.org](http://www.medicalhomeinfo.org).