

Virginia

1. HMA Managed Medicaid Opportunity Assessment for Virginia
2. Medicaid Plan Financials
 - a. Virginia Medicaid Managed Care Plan Financials, 2021
 - b. Virginia Medicaid Managed Care Plan Financials, 2020
3. RFP Developments and Analysis
 - a. Virginia Medicaid RFP Calendar
 - b. Virginia Medicaid Behavioral Managed Care Contract
4. Medicaid Plan Enrollment Update
 - a. Enrollment in Virginia Medicaid Managed Care Plan, 2018-21, June 2022
 - b. Virginia Medicaid Managed Care Enrollment Share by Plan, June 2022
5. Medicaid Fee for Service vs. Managed Care Penetration
 - a. Virginia Expenditures and Enrollment for Total Medicaid vs. Medicaid Managed Care, 2014-21
6. SNPs and Dual Eligibles
 - a. Virginia MLTSS/Dual Enrollment by Plan, 2018-21, June 2022
 - b. Virginia Dual Enrollment by Plan, 2015-17
 - c. Virginia SNP Enrollment by Plan, March 2022

1. MANAGED CARE OPPORTUNITY ASSESSMENT (UPDATED 5-21-20)

The Medicaid market in Virginia has increased dramatically since 2019 after the state implemented a Medicaid expansion program; expansion enrollment was over 422,000 in May 2020. As a requirement of the expansion legislation, Virginia submitted a waiver request to establish Medicaid work requirements for able-bodied, working-age adults; however, the state is reevaluating the proposed requirement.

Medallion 4.0 is the state's traditional Medicaid managed care program, which began implementation to approximately 737,000 individuals on a regional basis in August 2019 following a reprocurement. Aetna Better Health, Anthem HealthKeepers Plus, Magellan Complete Care, Optima Health, United Healthcare, and Virginia Premier Health Plan were awarded statewide contracts. Magellan Complete Care was the only plan selected that is not a Medallion 3.0 incumbent. United Healthcare entered the market earlier this year through its acquisition of INTotal Health. Seven managed care plans served the Medallion 3.0 program.

The Virginia Department of Medical Assistance Services completed a phase-in of the state's Managed Long Term Services and Supports (MLTSS) program, Commonwealth Coordinated Care Plus (CCC Plus), in January 2018. The six plans awarded contracts were Aetna Better Health of Virginia, Anthem HealthKeepers Plus, Magellan Complete Care of Virginia, Optima Health, United Healthcare, and Virginia Premier Health Plan. Aside from United and Magellan Complete Care, all selected plans are incumbents in the state's Medallion 3.0 Medicaid managed care program. Enrollees in the Commonwealth Coordinated Care dual demonstration and the aged, blind, and disabled population enrolled in Medallion 3.0 were the last to transition. The initial period of the CCC Plus contract is five years with five one-year renewal options.

Higher than expected Medicaid costs in 2018, particularly in the CCC program, led the state to initiate an overhaul of its forecasting and rate-setting processes for managed care.

HMA Managed Medicaid Opportunity Assessment for Virginia	
Positive Metrics	Strong Indicators
<ul style="list-style-type: none"> Medicaid managed care enrollment in Virginia increased by 22.9% in 2020. 	<ul style="list-style-type: none"> Virginia expanded Medicaid effective January 1, 2019. As of May 2020, expansion enrollment was more than 396,000 across Medallion 4.0 and CCC Plus. In November 2017, Virginia announced contract awards to six plans for its Medallion 4.0 Medicaid managed care program. Virginia completed the phase in of the state's managed long-term services and supports (MLTSS) program, CCC Plus, in January 2018. Virginia is mandatory managed Medicaid state.
Negative Metrics	Weak Indicators
<ul style="list-style-type: none"> Medical loss ratios for Virginia's Medicaid managed care plans averaged 85.8% in 2020. 	<ul style="list-style-type: none"> Virginia has indicated it is happy with its current number of participating plans.
Source: HMA	

2. MANAGED MEDICAID PLAN FINANCIALS

Average medical loss ratio among five Virginia Medicaid plans was 85.5% in 2021. Per member per month premiums averaged \$607.

(Note: Financial metrics and comparisons presented in this overview are based on health plan NAIC filings in the state. Measures like per member per month premiums and medical loss ratios may vary greatly by plan and by state depending on the mix of business (e.g., TANF, ABD, etc.), scope of the state's Medicaid benefit package, geographic variations in the cost of care, and other factors.)

Virginia Medicaid Managed Care Plan Financials, 2021

Plan	Publicly Traded	Enrollment	Member Months	PMPM	Premiums Earned (000)	Medical Costs (000)	MLR ⁽¹⁾
Anthem/HealthKeepers Inc.	Y	502,773	5,737,419	\$586.63	\$3,365,730	\$2,692,198	80.1%
CVS Health/Aetna/Coventry	Y	227,574	2,579,891	\$771.22	\$1,989,658	\$1,728,816	89.4%
Molina/Magellan Complete Care	Y	121,964	1,370,282	\$730.45	\$1,000,920	\$821,309	82.1%
Sentara/Optima/Virginia Premier	N	684,832	7,866,030	\$561.03	\$4,413,063	\$3,840,344	87.0%
UnitedHealthcare/INtotal	Y	182,006	2,018,531	\$549.01	\$1,108,193	\$1,020,236	92.1% ⁽²⁾
Total, VA Medicaid Plans		1,719,149	19,572,153	\$606.86	\$11,877,563	\$10,102,903	85.5%

(1) After reinsurance recoveries. (2) Before reinsurance recoveries.

Source: S&P Global Market intelligence, NAIC, VA Dept. of Medical Assistance Services, HMA

Virginia Medicaid Managed Care Plan Financials, 2020

Plan	Publicly Traded	Enrollment	Member Months	PMPM	Premiums Earned (000)	Medical Costs (000)	MLR ⁽¹⁾
Anthem/HealthKeepers Inc.	Y	447,086	4,965,127	\$606.87	\$3,013,181	\$2,511,017	83.5%
CVS Health/Aetna/Coventry	Y	203,436	2,214,311	\$747.53	\$1,655,265	\$1,416,635	85.6%
Molina/Magellan Complete Care	Y	109,056	1,181,861	\$814.47	\$962,593	\$870,079	85.3%
Sentara/Optima/Virginia Premier	N	618,585	6,951,479	\$581.23	\$4,040,377	\$3,556,409	87.8%
UnitedHealthcare/INtotal	Y	153,226	1,663,098	\$667.10	\$1,109,451	\$953,184	85.9% ⁽²⁾
Total, VA Medicaid Plans		1,531,389	16,975,876	\$635.07	\$10,780,867	\$9,307,324	85.8%

(1) After reinsurance recoveries. (2) Before reinsurance recoveries.

Source: S&P Global Market intelligence, NAIC, VA Dept. of Medical Assistance Services, HMA

3. RFP DEVELOPMENTS AND ANALYSIS

The Virginia Department of Medical Assistance Services selected Aetna Better Health, Anthem HealthKeepers Plus, Magellan Complete Care, Optima Health, United Healthcare, and Virginia Premier Health Plan for statewide Medicaid managed care contracts for the Medallion 4.0 program which began a regional rollout in August 2018. Magellan Complete Care was the only plan selected that was not a Medallion 3.0 incumbent. United Healthcare entered the market earlier this year through its acquisition of INTotal Health. Historically, there had not been a formal RFP process.

For the state’s Managed Long-Term Services and Supports (MLTSS) program (Commonwealth Coordinated Care (CCC) Plus), which went live August 2017, Virginia awarded contracts to six managed care organizations: Aetna Better Health of Virginia, Anthem HealthKeepers Plus, Magellan Complete Care of Virginia, Optima Health, United Healthcare, and Virginia Premier Health Plan. Aside from United and Magellan, all selected plans were Medallion 3.0 incumbents. Contracts run five years with five one-year renewal options.

The CCC Plus population includes all fully dual eligible individuals for Medicaid services only, as well as individuals receiving LTSS either in an institutional setting or in one of the state’s six home and community-based services (HCBS) waivers. This includes full-benefit dual eligibles not previously receiving any form of managed care, non-dual individuals receiving LTSS, dual eligibles previously enrolled in the state’s financial alignment demonstration, and ABD beneficiaries previously enrolled in Medallion 3.0. Individuals in the Day Support, ID, and DD waivers are enrolled in a CCC Plus plan for non-waiver services only. The state is conducting a waiver redesign process, and waiver services may be included in CCC Plus at a future date.

Virginia Medicaid RFP Calendar		
Contract	Key Dates	# of Beneficiaries
Medallion 4.0	RFP Release: July 17, 2017	~740,000
	Award: November 9, 2017	
	Implementation: By Region, began August 1, 2018	
Commonwealth Coordinated Care Plus (MLTSS)	RFP Released: April 29, 2016	~212,000
	Proposals Due: June 30, 2016	
	Contract Award: February 9, 2017	
	Implementation: Jul-17 through Jan-18	

Source: Virginia Dept. of Medical Assistance Services, HMA

Virginia Medicaid Behavioral Managed Care Contract		
Region/County	Carve-out Vendors	Contract Terms
Statewide	Magellan	ASO; 3 years plus 2, 1-year options extended to 11/30/2018 and re-procured by emergency procurement through 5/31/2020; 12% of Medicaid/FAMIS population received behavioral services in fiscal 2012 (109,908). Total expenditures were \$733.7 million.

Source: Source: VA Dept. of Medical Assistance Services, HMA

4. MANAGED CARE ENROLLMENT UPDATE

Medicaid managed care enrollment in Virginia is approximately 1.6 million in June 2022, up 5.9% from year-end 2021, after increasing 12.7% in 2021, 22.9% in 2020, and 42.3% in 2019. The state implemented Medicaid expansion January 1, 2019. Implementation of Medallion 4.0, covering the basic Medallion 3.0 and FAMIS populations, began August 2018. Enrollment data in this report is updated biannually. More recent enrollment figures may be found [here](#). For historical Medicaid managed care enrollment data based on NAIC counts, please click [here](#).

Enrollment in Virginia Medicaid Managed Care by Plan, 2018-21, June 2022					
Plan	2018 ¹	2019	2020	2021	Jun-22
Anthem/HealthKeepers Inc.	244,676	332,781	401,848	449,462	474,241
<i>+/- between reporting periods</i>		88,105	69,067	47,614	24,779
<i>% chg. between reporting periods</i>		36.0%	20.8%	11.8%	5.5%
<i>% of total</i>	32.7%	31.3%	30.7%	30.5%	30.4%
Sentara/Optima Health Plan ²	353,566	440,445	522,625	580,975	609,571
<i>+/- between reporting periods</i>		86,879	82,180	58,350	28,596
<i>% chg. between reporting periods</i>		24.6%	18.7%	11.2%	4.9%
<i>% of total</i>	47.2%	41.4%	39.9%	39.4%	39.0%
Virginia Premier Health Plan Inc.	186,553	223,632	264,456	292,718	306,981
<i>+/- between reporting periods</i>		37,079	40,824	28,262	14,263
<i>% chg. between reporting periods</i>		19.9%	18.3%	10.7%	4.9%
<i>% of total</i>	24.9%	21.0%	20.2%	19.8%	19.7%
Sentara/Optima Health Plan	167,013	216,813	258,169	288,257	302,590
<i>+/- between reporting periods</i>		49,800	41,356	30,088	14,333
<i>% chg. between reporting periods</i>		29.8%	19.1%	11.7%	5.0%
<i>% of total</i>	22.3%	20.4%	19.7%	19.5%	19.4%
CVS/Aetna	59,084	127,059	171,407	195,709	210,524
<i>+/- between reporting periods</i>		67,975	44,348	24,302	14,815
<i>% chg. between reporting periods</i>		115.0%	34.9%	14.2%	7.6%
<i>% of total</i>	7.9%	11.9%	13.1%	13.3%	13.5%
United Healthcare	68,142	102,419	129,708	152,187	164,744
<i>+/- between reporting periods</i>		34,277	27,289	22,479	12,557
<i>% chg. between reporting periods</i>		50.3%	26.6%	17.3%	8.3%
<i>% of total</i>	9.1%	9.6%	9.9%	10.3%	10.6%
United Healthcare	56,453	102,419	129,708	152,187	164,744
<i>+/- between reporting periods</i>		45,966	27,289	22,479	12,557
<i>% chg. between reporting periods</i>		81.4%	26.6%	17.3%	8.3%
<i>% of total</i>	7.5%	9.6%	9.9%	10.3%	10.6%
INTotal Health LLC/UnitedHealth	11,689	0			
<i>+/- between reporting periods</i>		(11,689)			
<i>% chg. between reporting periods</i>		-100.0%			
<i>% of total</i>	1.6%	0.0%			
Molina/Magellan Complete Care ³	22,999	62,144	83,189	96,374	102,014
<i>+/- between reporting periods</i>		39,145	21,045	13,185	5,640
<i>% chg. between reporting periods</i>		170.2%	33.9%	15.8%	5.9%
<i>% of total</i>	3.1%	5.8%	6.4%	6.5%	6.5%

Total Virginia	748,467	1,064,848	1,308,777	1,474,707	1,561,094
+/- between reporting periods		316,381	243,929	165,930	86,387
% chg. between reporting periods		42.3%	22.9%	12.7%	5.9%

¹ 2018 data based on October 2018 totals.

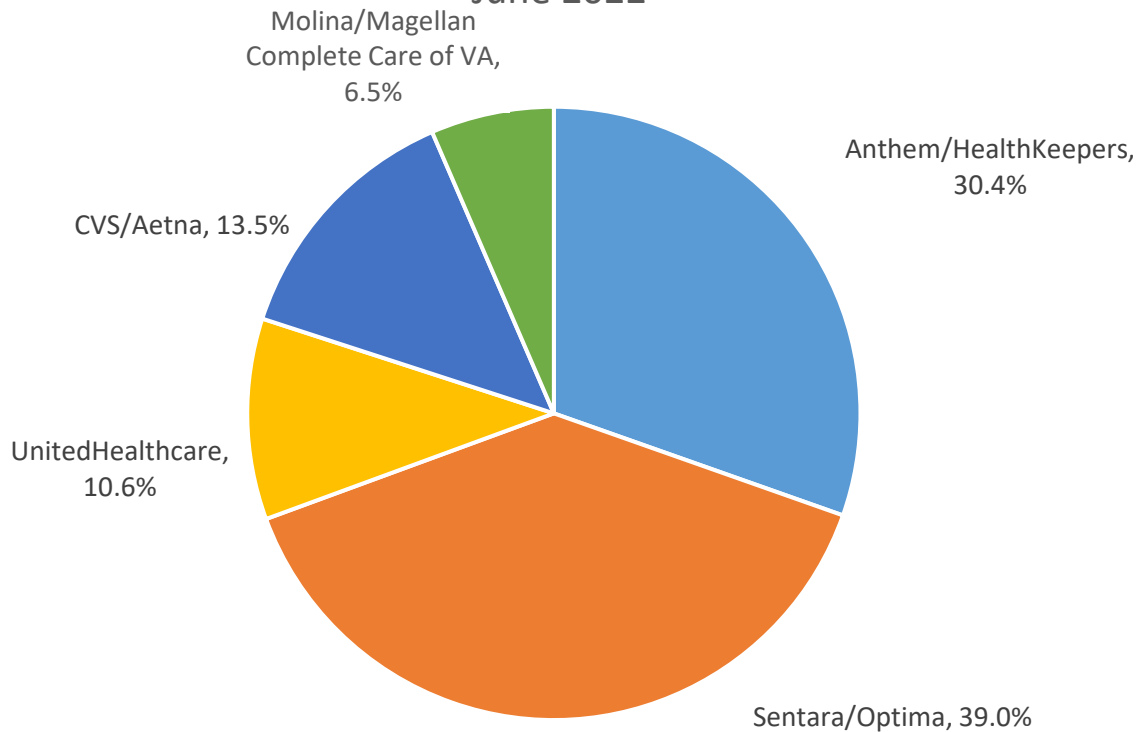
² Sentara/Optima acquired ownership of Virginia Premier in September 2019.

³ Molina acquired Magellan Complete Care in December 2020.

Source: Virginia Department of Medical Assistance Services, HMA

Note: Limited to Medallion enrollment, excludes Commonwealth Coordinated Care Plus enrollment

Virginia Medicaid Managed Care Enrollment Share by Plans, June 2022



Source: S&P Global Market Intelligence, NAIC, HMA

5. MEDICAID FEE FOR SERVICE VS. MANAGED CARE PENETRATION

Total Medicaid enrollment in Virginia was more than 1.8 million in 2021. About 95.3% of Medicaid beneficiaries were enrolled in a managed care plan. The remainder are in fee-for-service Medicaid. (Note: HMAIS also carries CMS monthly total Medicaid enrollment reports broken down by state; click [here](#)). Total Medicaid expenditures in Virginia were \$11.7 billion in 2021, with about 67.8% through managed care and the rest through fee-for-service.

Virginia Expenditures and Enrollment for Total Medicaid vs. Medicaid Managed Care, 2014-21						
Year	Total Medicaid Expenditures	Medicaid Managed Care Expenditures ⁽¹⁾	Medicaid Managed Care Expenditures as % of Total	Total Medicaid/CHIP Enrollment	Medicaid MCO Enrollment	Medicaid MCO Enrollment as % of Total
2021	\$11,675,905,546	\$7,921,813,369	67.8%	1,844,299	1,757,596	95.3%
2020	\$10,015,653,187	\$6,498,691,364	64.9%	1,639,534	1,308,777	79.8%
2019 ⁽²⁾	\$8,025,667,172	\$5,046,602,438	62.9%	1,397,783	914,060	65.4%
2018	\$9,562,002,903	\$5,018,023,256	52.5%	1,039,484	748,467	72.0%
2017 ⁽²⁾	\$8,987,642,645	\$3,585,530,990	39.9%	1,014,833	805,566	79.4%
2016 ⁽³⁾	\$8,498,905,069	\$3,364,949,339	39.6%	990,972	739,178	74.6%
2015 ⁽⁴⁾	\$8,032,760,161	\$3,167,313,035	39.4%	959,790	724,899	75.5%
2014 ⁽⁴⁾	\$7,547,405,238	\$2,523,277,694	33.4%	968,216	724,899	74.9%

(1) Includes evaluation and management, vaccine codes, Community First Choice, and preventive services Grade A or B, ACIP vaccines and their administration, Prepaid Ambulatory Health Plans, and Prepaid Inpatient Health Plans.

(2) MCO Enrollment as of January 2019.

(3) MCO Enrollment as of September 2017.

(4) MCO Enrollment as of December 31, 2015.

(5) MCO Enrollment as of December 31, 2014.

Sources: CMS64 for expenditures. CMS for total Medicaid/CHIP enrollment. States, NAIC for Medicaid managed care enrollment.

6. SNPs AND DUAL ELIGIBLES

As of January 2018, dual eligibles enrolled in Virginia's dual demonstration, Commonwealth Coordinated Care (CCC), transitioned into the state's new Medicaid managed long-term services and supports (MLTSS) program, Commonwealth Coordinated Care Plus. Enrollment in Virginia's Medicaid MLTSS program, Commonwealth Coordinated Care Plus, was approximately 291,000 in June 2022. Enrollment increased 2.7% compared to year-end 2021. In December 2017, the last month of operations of the state's dual eligible demonstration, there were 22,354 members still enrolled in CCC, representing a 23.3% decrease from year-end 2016. The state awarded contracts in February 2017 to six managed care organizations to administer the new MLTSS program. The plans awarded contracts were Aetna Better Health of Virginia, Anthem HealthKeepers Plus, Magellan Complete Care of Virginia, Optima Health, United Healthcare, and Virginia Premier Health Plan. Aside from United and Magellan Complete Care, all selected plans were incumbents in the state's Medallion 3.0 Medicaid managed care program.

Separately, Virginia had 44,417 Special Needs Plan members as of March 2022.

Enrollment in Virginia Commonwealth Coordinated Care Plus Enrollment, 2018-21, June 2022

Plan	2018	2019 ¹	2020	2021	Jun-22
Anthem/HealthKeepers Inc.	60,858	67,827	75,583	80,196	82,597
<i>+/- between reporting periods</i>	<i>34,525</i>	<i>6,969</i>	<i>7,756</i>	<i>4,613</i>	<i>2,401</i>
<i>% chg. between reporting periods</i>	<i>131.1%</i>	<i>11.5%</i>	<i>11.4%</i>	<i>6.1%</i>	<i>3.0%</i>
<i>% of total</i>	<i>28.6%</i>	<i>27.9%</i>	<i>28.4%</i>	<i>28.3%</i>	<i>28.4%</i>
CVS/Aetna	30,849	36,134	39,859	43,465	44,710
<i>+/- between reporting periods</i>	<i>13,880</i>	<i>5,285</i>	<i>3,725</i>	<i>3,606</i>	<i>1,245</i>
<i>% chg. between reporting periods</i>	<i>81.8%</i>	<i>17.1%</i>	<i>10.3%</i>	<i>9.0%</i>	<i>2.9%</i>
<i>% of total</i>	<i>14.5%</i>	<i>14.9%</i>	<i>15.0%</i>	<i>15.4%</i>	<i>15.4%</i>
Sentara/Optima Health Plan ²	76,335	86,910	93,270	95,553	96,818
<i>+/- between reporting periods</i>	<i>41,454</i>	<i>10,575</i>	<i>6,360</i>	<i>2,283</i>	<i>1,265</i>
<i>% chg. between reporting periods</i>	<i>118.8%</i>	<i>13.9%</i>	<i>7.3%</i>	<i>2.4%</i>	<i>1.3%</i>
<i>% of total</i>	<i>35.8%</i>	<i>35.8%</i>	<i>35.0%</i>	<i>33.8%</i>	<i>33.3%</i>
Virginia Premier Health Plan Inc.	41,931	47,340	49,349	49,434	49,591
<i>+/- between reporting periods</i>	<i>23,884</i>	<i>5,409</i>	<i>2,009</i>	<i>85</i>	<i>157</i>
<i>% chg. between reporting periods</i>	<i>132.3%</i>	<i>12.9%</i>	<i>4.2%</i>	<i>0.2%</i>	<i>0.3%</i>
<i>% of total</i>	<i>19.7%</i>	<i>19.5%</i>	<i>18.5%</i>	<i>17.5%</i>	<i>17.1%</i>
Optima Health Plan	34,404	39,570	43,921	46,119	47,227
<i>+/- between reporting periods</i>	<i>17,570</i>	<i>5,166</i>	<i>4,351</i>	<i>2,198</i>	<i>1,108</i>
<i>% chg. between reporting periods</i>	<i>104.4%</i>	<i>15.0%</i>	<i>11.0%</i>	<i>5.0%</i>	<i>2.4%</i>
<i>% of total</i>	<i>16.2%</i>	<i>16.3%</i>	<i>16.5%</i>	<i>16.3%</i>	<i>16.3%</i>
Molina/Magellan ³	21,346	24,128	25,934	27,723	28,091
<i>+/- between reporting periods</i>	<i>8,732</i>	<i>2,782</i>	<i>1,806</i>	<i>1,789</i>	<i>368</i>
<i>% chg. between reporting periods</i>	<i>69.2%</i>	<i>13.0%</i>	<i>7.5%</i>	<i>6.9%</i>	<i>1.3%</i>
<i>% of total</i>	<i>10.0%</i>	<i>9.9%</i>	<i>9.7%</i>	<i>9.8%</i>	<i>9.7%</i>
UnitedHealthcare	23,624	27,839	31,846	35,952	38,320
<i>+/- between reporting periods</i>	<i>11,170</i>	<i>4,215</i>	<i>4,007</i>	<i>4,106</i>	<i>2,368</i>
<i>% chg. between reporting periods</i>	<i>89.7%</i>	<i>17.8%</i>	<i>14.4%</i>	<i>12.9%</i>	<i>6.6%</i>
<i>% of total</i>	<i>11.1%</i>	<i>11.5%</i>	<i>12.0%</i>	<i>12.7%</i>	<i>13.2%</i>

Total Virginia	213,012	242,838	266,492	282,889	290,536
+/- between reporting periods	109,761	29,826	23,654	16,397	7,647
% chg. between reporting periods	106.3%	14.0%	9.7%	6.2%	2.7%

1. Enrollment is based on October 2019.

2. Sentara/Optima acquired ownership of Virginia Premier in September 2019.

3. Molina acquired Magellan Complete Care in December 2020.

Source: Virginia Department of Medical Assistance, HMA

Virginia Dual Eligibles Demonstration, Enrollment by Plan, 2015-17

Plan	2015	2016	2017
HealthKeepers	11,532	12,589	10,346
+/- between reporting periods		1,057	(2,243)
% chg. between reporting periods		9.2%	-17.8%
% of total	42.5%	43.2%	46.3%
Humana	9,910	10,800	7,568
+/- between reporting periods		890	(3,232)
% chg. between reporting periods		9.0%	-29.9%
% of total	36.6%	37.1%	33.9%
Virginia Premier	5,661	5,750	4,440
+/- between reporting periods		89	(1,310)
% chg. between reporting periods		1.6%	-22.8%
% of total	20.9%	19.7%	19.9%
Totals	27,103	29,139	22,354
+/- between reporting periods		2,036	(6,785)
% chg. between reporting periods		7.5%	-23.3%

Source: CMS, HMA

Virginia SNP Enrollment by Plan, March 2022

Plan	Total SNPs	DSNPs	CSNPs	ISNPs	Share
Anthem	26,196	24,282	1,693	221	42.6%
UnitedHealthCare	15,963	15,963			26.0%
Optima/ Virginia Premier	10,389	10,389			16.9%
CVS Health	6,593	6,593			10.7%
Humana	1,074		1,074		1.7%
Molina	673	673			1.1%
Lifeworks Advantage	573			573	0.9%
Align SeniorCare	21			21	0.0%
Totals	61,482	57,900	2,767	815	100.0%

Source: CMS, HMA