

## **Table of Contents**

**State Name: Virginia**

**State Plan Amendment (SPA) #: 22-0004**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS-179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
601 E. 12th St., Room 355  
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

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April 26, 2022

Karen Kimsey, Director  
Department of Medical Assistance Services  
600 East Broad Street, Suite 1300  
Richmond, Virginia 23219

Re: Virginia State Plan Amendment 22-0004

Dear Ms. Kimsey:

The Centers for Medicare & Medicaid Services (CMS) has completed review of the Commonwealth of Virginia's State Plan Amendment (SPA), Transmittal Number (TN) 22-0004. The purpose of this amendment is to update sections of the state plan that pertain to the Program of All-Inclusive Care for the Elderly.

We conducted our review of this amendment according to statutory requirements of Title XIX of the Social Security Act and implementing Federal regulations. This letter is to inform you that Virginia Medicaid SPA Transmittal Number 22-0004 is approved effective March 22, 2022.

We appreciate the assistance provided by your staff throughout the SPA review process. If you have any questions or need assistance, please contact Ellen Reap at 215-861-4735 or via email at [Ellen.Reap@cms.hhs.gov](mailto:Ellen.Reap@cms.hhs.gov).

Sincerely,



Shantrina D. Roberts  
Deputy Director  
Division of Managed Care Operations

cc: Meredith Lee, VA DMAS  
Sabrina Tillman-Boyd, DMCO  
Angela Cimino, DHPC

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 2 — 0 0 0 4

2. STATE

V A

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL

SECURITY ACT  XIX  XXI

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

3/22/2022

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR Part 460

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2022 \$ 0  
b. FFY 2023 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 3.1A&B, Supplement 6, revised pages 7 and 8

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable)

Same as box #7.

9. SUBJECT OF AMENDMENT

Program of All-Inclusive Care for the Elderly

10. GOVERNOR'S REVIEW (Check One)

- GOVERNOR'S OFFICE REPORTED NO COMMENT  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:  
Secretary of Health and Human Resources

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME  
Karen Kimsey

13. TITLE  
Director

14. DATE SUBMITTED  
1/31/2022

15. RETURN TO

Department of Medical Assistance Services  
600 East Broad Street, #1300  
Richmond VA 23219

Attn: Policy, Regulations, and Manuals Supervisor

**FOR CMS USE ONLY**

16. DATE RECEIVED

3/22/2022

17. DATE APPROVED

04/26/2022

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

3/22/2022

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL  
Shantrina Roberts

21. TITLE OF APPROVING OFFICIAL  
Dep. Director, Division of Managed Care Operations

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of VIRGINIA

(A)  The following standard included under the State plan (check one):

1.  SSI
2.  Medically Needy
3.  The special income level for the institutionalized
4.  percent of the Federal Poverty Level:  
\_\_\_\_\_ %
5. XX  Other (specify): 165% of SSI

(B) The following dollar amount: \$ \_\_\_\_\_,-

\_\_\_\_\_  
Note: If this amount changes, this item will be revised.

(C)  The following formula is used to determine the needs allowance:  
\_\_\_\_\_  
\_\_\_\_\_

If this amount is different than the amount used for the individual's maintenance allowance under 42 CFR 435.726 or 42 CFR 435.735, explain why you believe that this amount is reasonable to meet the individual's maintenance needs in the community:  
\_\_\_\_\_  
\_\_\_\_\_

II. Rates and Payments

- A. The State assures CMS that the capitated rates will be less than the cost to the agency of providing State plan approved services to an equivalent non-enrolled population group based upon the following methodology. Please attach a description of the negotiated rate setting methodology and how the State will ensure that rates are less than the amount the state would have otherwise paid for a comparable population.

TN No. 22--0004 Approval Date 4/26/2022 Effective Date 3/22/2022

§ 06-06  
TN No.

HCFA ID:

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of VIRGINIA

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- I. XX Rates are set at a percent of the amount that would otherwise been paid for a comparable population.
  2. Experience-based (contractor's/State's cost experience or encounter date)(please describe)
  3. Adjusted Community Rate (please describe)
  4. Other (please describe)

The methodology develops an amount that would otherwise have been paid under the state plan (AWOP). The AWOP is developed using base period encounter data adjusted for comparable populations and services to those covered by the PACE program, specifically individuals over the age of 55 historically receiving services in an institutional setting (nursing home) or enrolled in a home and community based services (HCBS) waiver. The historical data, which is not more than three years old, is adjusted to reflect legislative modifications of payment arrangements between the data period and the contract period as well as benefit or eligibility changes occurring prior to the beginning of the contract period. The base period data is also updated to reflect expected increases in utilization and cost for the contract period covered by the rates referred to as prospective medical trend. An allowance for administrative costs is added to the AWOPs along with a provision for underwriting gain, consistent with actuarial assumptions for comparable administrative costs and underwriting gain included in capitation rates for MLTSS plans or state administrative costs for comparable FFS individuals. The final capitation rates are determined as a percentage discount (savings factor) off of the AWOP.

Rates vary by geographic region, and the state calculates two separate rates within each region: one for dual eligible participants and a rate for Medicaid-only participants.

- B. The State Medicaid Agency assures that the rates were set in a reasonable and predictable manner.
- C. The State will submit all capitated rates to the CMS Regional Office for prior approval, and will include the name, organizational affiliate of any actuary used, and attestation/description of the capitation rates.

### III. Enrollment and Disenrollment

The State assures that there is a process in place to provide for dissemination of enrollment and disenrollment data between the State and the State Administering Agency. The State assures that it has developed and will implement procedures for the enrollment and disenrollment of participants in the State's management information system, including procedures for any adjustment to account for the difference between the estimated number of participants on which the prospective monthly payment was based and the actual number of participants in that month.

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TN No. <u>22-0004</u>	Approval Date 4/26/2022 _	Effective Date
Supersedes		
TN No. <u>06-06</u>		<u>3/22/2022</u>

HCFA ID: