

# VAYA Health Update

Buncombe County BOC  
June 2, 2020



# Agenda

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- COVID-19 Response
- State of VAYA
  - Financial Position
  - Single Stream & Service Decisions
  - LME / MCO Scorecard
- MOE Funding and Uses

# COVID-19 Response

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- Cooperation with Buncombe County
- Vaya prioritized network stabilization efforts to address the most at-risk areas first. These efforts focused on:
  - Supporting providers delivering a required crisis service to Vaya members;
  - Supporting providers delivering emergency walk-in services in the Vaya catchment area; and/or
  - Supporting providers unable to provide their contracted services via Telemedicine due to the nature of the service (e.g. direct care, clubhouse, day treatment).
  - Stabilizing provider cash flow
  - Stabilizing provider work force

(see attached detailed summary)



# Member and Provider Stabilization

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- **To offer immediate financial support to eligible providers, Vaya:**
  - Released the last FY20 quarter of non-Medicaid funding to core crisis providers
  - Obtained funding to ensure that members currently receiving Medication Assisted Treatment through the State Opioid Response Grant who were no longer covered by grant funding were covered for ongoing treatment;
  - Authorized hardship funding to support providers who experienced an immediate loss of Medicaid revenue
  - Identified \$280,000 in child mental health funding and requested funding flexibility from DMH/DD/SAS.
  - Purchased 500 cell phones for high priority members to ensure they can access services via Telemedicine

# Member and Provider Stabilization

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- **To offer immediate financial support to eligible providers, Vaya:**
  - Assisted Mental Health and I/DD residential providers who are experiencing rising costs related to costs of supplies and staff overtime and, in some cases, staff retention.
  - Vaya gathered provider input directly and from hardship requests and aligned with Attachment K guidance (for IDD providers). As a result, Vaya enacted a 10% targeted rate increase retroactive to March 13 through May 30, 2020 for:
    - Child Residential providers including TFC, Levels II, and III
    - I/DD Residential levels of care including AFLs, Group Homes and Community ICFs.

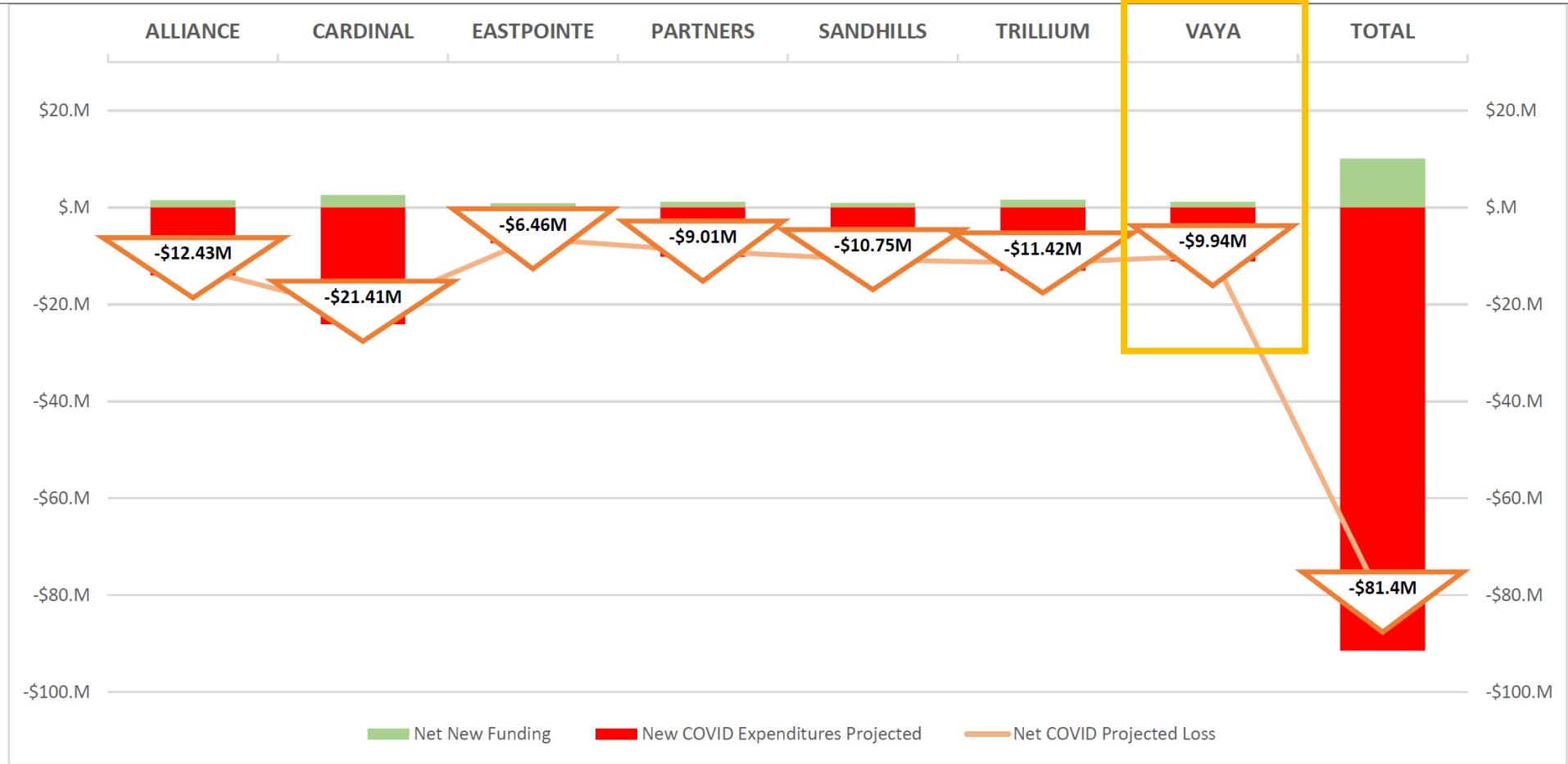
# State of VAYA During COVID-19

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- Entire company in remote work status and planning a return to work through a phased approach no sooner than August 31.
- Through our efficient transition during COVID-19, VAYA is planning for an expanded remote based workforce.
- No funding reductions through COVID-19, but only \$1.2m in new funds with a projected outlay of ~\$9m in new costs.
- VAYA continues to meet all State solvency requirements, and projects to break even on operations in 2021.

# LME/MCO Impacts During COVID-19

**TABLE 1: LME/MCO System-Wide COVID-19 Cost Impact Projections, March – June 2020**



**Impact Projection Assumptions**

*Timeline - Phase 3 through June 30th, 2020*  
*Projections - Initiatives and expenditures are conservative as of 5/6/2020. Efforts are ongoing to develop additional initiatives as current data is evolving and this projection is based on available data*  
*New COVID Expenditures Projected- Includes COVID related housing/food/telehealth equipment, net new impact on increased utilization projections, net new impact on provider rate increases (i.e. hazard pay), grant/hardship payments, net new impact on provider retainer payments, net new impact on provider enhanced rates*  
*Admin - Additional COVID-19 related administrative costs, provider support and equipment purchased not included*

# Program Spending Aligned to Single Stream Funding

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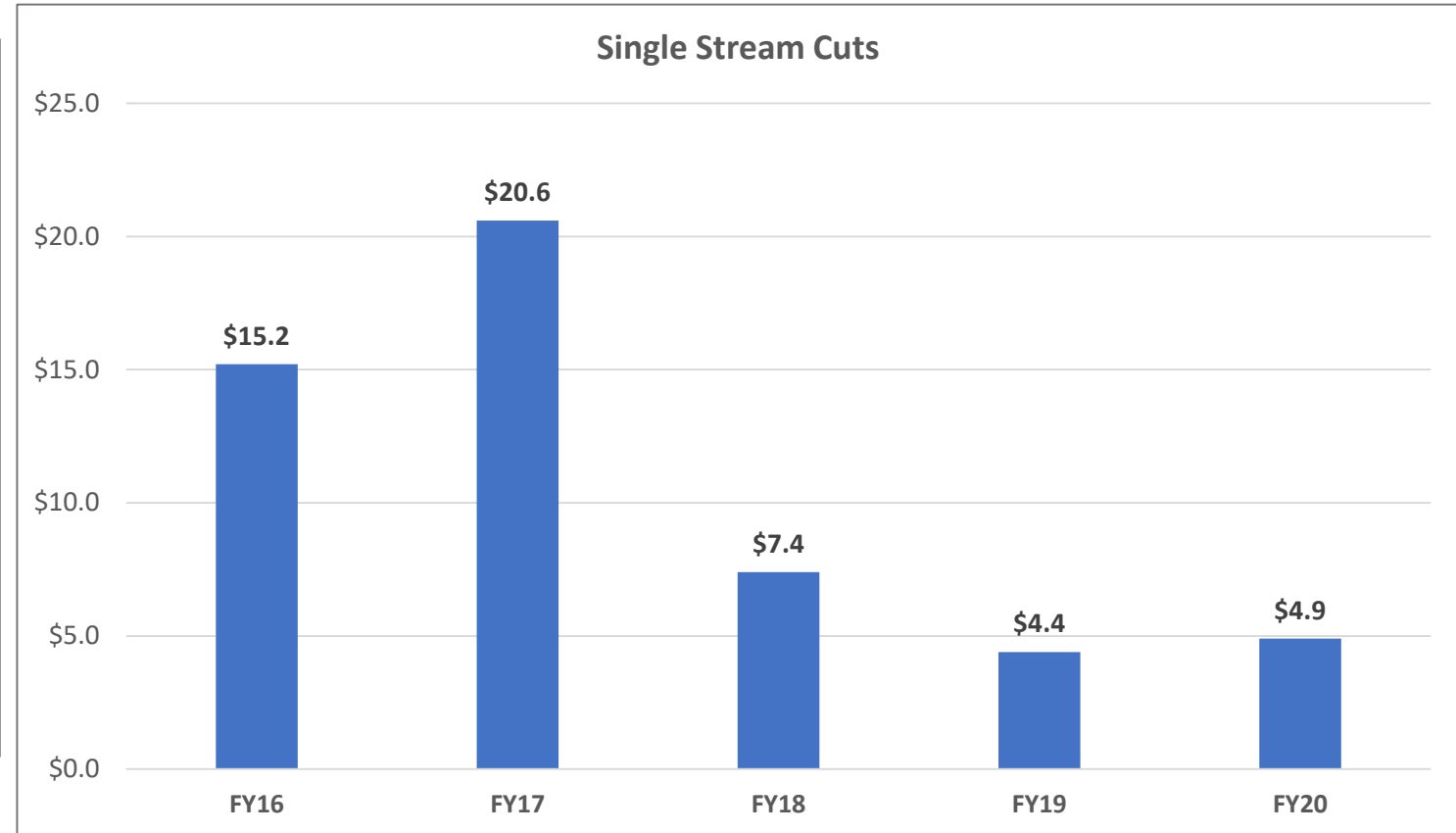
- Vaya continues to meet solvency and other state financial requirements (e.g., cash on hand, defensive interval, risk reserve), but no longer has excess spendable (available) cash to continue to absorb the impact of these ongoing SSF reductions.
- Until now, Vaya absorbed SSF reductions internally by using savings to pay for services, cutting back on some functions (e.g., non-Medicaid care coordination), eliminating positions and reducing administrative overhead (e.g., closing some local offices).
- This approach means that our counties and providers have not yet experienced the full impact of the statewide reductions – Vaya continued to lead the state in providing non-Medicaid services to eligible members who are uninsured or underinsured.
- Vaya must now create a sustainable system of care for uninsured members based on available funding.
- Since August 2019, Vaya has been creating and vetting (with our Board of Directors and Provider Advisory Council) a plan to align state-funded services with our diminished funding.



# Program Spending Aligned to Single Stream Funding

In millions

- Since 2016, Vaya has experienced \$52.5m of cuts with the most recent requiring programmatic changes to align with funding.
- In Q4, services to BHUC, ACTT, and CST programs were reduced, and those changes are hardwired into next year's budget.
- Requires continuous balancing of services to funding.



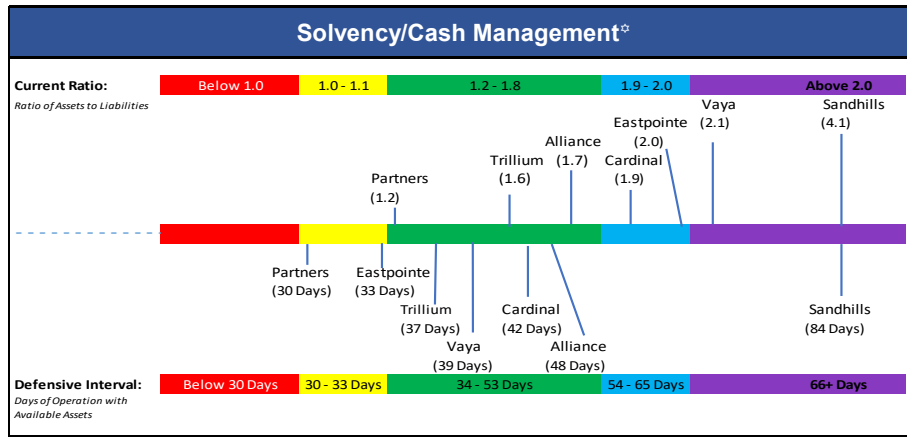
# FY20-21 Budget Challenges

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- State level focus on the COVID-19 response has delayed budget centric information
- Funding budgets
  - Capitation rates are still in draft
  - Single stream funding not yet communicated and could include continued cuts
  - Funding of additional COVID-19 related costs

# LME/MCO Scorecard

## NC DHHS LME/MCO Scorecard, SFY 2020 Q3



### Medicaid

	% of Spending on Services <sup>A</sup>	Current Balance from Medicaid Allocations
Alliance	89%	\$14,269,951
Cardinal	92%	\$12,045,449
Eastpointe	95%	\$3,238,466
Partners	92%	(\$5,147,538)
Sandhills	97%	\$2,692,141
Trillium	94%	(\$3,351,958)
Vaya	93%	\$4,451,027
<b>Total:</b>		<b>\$28,197,538</b>

### Uninsured

	Single Stream Spend Rate*	Current Balance from State-Services Allocations
Alliance	78.9%	\$4,126,954
Cardinal	75.0%	\$11,301,559
Eastpointe	82.3%	(\$1,469,288)
Partners	81.6%	(\$1,076,911)
Sandhills	97.0%	\$1,713,249
Trillium	89.1%	(\$9,918,209)
Vaya	77.3%	\$1,653,819
<b>Total:</b>		<b>\$6,331,175</b>

### Community Reinvestment\*

	Reinvestment Spending
Alliance	\$1,994,507
Cardinal	\$5,203,351
Eastpointe	\$5,510,229
Partners	\$6,323,475
Sandhills	\$9,770,789
Trillium	\$0
Vaya	\$0
<b>Total:</b>	<b>\$28,802,351</b>

### Network Requirements<sup>‡</sup>

(Medicaid/ State Services)	Mental Health	SUD	I/DD
Alliance	✓	✓	✓
Cardinal	✓	✓	✓
Eastpointe	✓	✓	✓
Partners	✓	✓	✓
Sandhills	✓	✓	✓
Trillium	✓	✓	✓
Vaya	✓	✓	✓

### Key Measures\*

(Medicaid)	Integrated Care ≥ 90%	MH Follow-up ≥ 40%	SUD Follow-up ≥ 40%
Alliance	95%	52%	35%
Cardinal	97%	46%	33%
Eastpointe	97%	46%	19%
Partners	98%	61%	51%
Sandhills	97%	44%	19%
Trillium	98%	38%	41%
Vaya	98%	56%	59%

### Key Measures\*

(State Services)	TCLI Housing ≥ 100%	MH Follow-up ≥ 40%	SUD Follow-up ≥ 40%
Alliance	100%	37%	36%
Cardinal	106%	26%	37%
Eastpointe	85%	23%	17%
Partners	101%	50%	71%
Sandhills	99%	41%	49%
Trillium	113%	22%	40%
Vaya	100%	49%	52%

### I/DD Waitlist Supports

	% of people on the Innovations Waiver waitlist receiving other state-funded or Medicaid services
Alliance	<b>Coming Q1 SFY 2020/21</b>
Cardinal	
Eastpointe	
Partners	
Sandhills	
Trillium	
Vaya	

### Psych Hospital Discharges

Alliance	<b>Coming Q1 SFY 2020/21</b>
Cardinal	
Eastpointe	
Partners	
Sandhills	
Trillium	
Vaya	

# Maintenance of Effort (MOE) Funding

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- VAYA receives \$600,000 in MOE from Buncombe County and was directed as follows for FY2020:
  - Homeward Bound - \$278k total with \$176k for Buncombe County Hard to House for Chronic Homeless
  - RHA Health Services - \$322k for Buncombe County Detention Center
- 2021 direction of support expected to be slightly different

