

## **COVID-19 and MCOs: Frequently Asked Questions**

This serves as a guide to WVAHP-member stakeholders on the activities of MCOs in response to the COVID-19 crisis. WVAHP is comprised of the three managed care organizations that manage West Virginia Medicaid Program. This FAQ is a guide and not comprehensive of all activities and guidance issued by each MCO.

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### **Q: What actions have MCOs taken to provide quick access and added flexibility for Medicaid members and providers at the onset of COVID-19?**

#### **Answer**

The MCOs immediately engaged the Bureau for Medical Services (BMS), our partner state agency, at the onset of COVID-19. Through a series of orders/guidance, and in many cases mutual agreement, the MCOs took the following actions:

- Expanded payment and removed restrictions for telemedicine services.
- Removed all medical prior authorizations for services rendered during the crisis.
- Extended previously approved prior authorizations for services that were rescheduled or delayed due to COVID-19.
- Payment for lab testing of COVID-19 regardless of in-network status.
- Increased communications to Medicaid members affected by COVID-19 and implemented protocols for treatment management.
- Ensured that MCO employed care managers (nurses) were included in Executive Order to be deemed essential employees.

Additional resources: <https://www.ahpww.com/post/medicaid-mcos-take-measures-to-assist-healthcare-providers-during-covid-19-crisis>

### **Q: What is the main priority for MCOs?**

#### **Answer**

Our focus remains on individual Medicaid members and managing their care effectively. MCOs are monitoring closely COVID-positive diagnosis and treatment plans for Medicaid members. Fortunately, to date, the number of Medicaid COVID-positive cases is small. MCOs are monitoring the utilization of services to help identify outliers or issues within the Medicaid system. Our priority, however, is to ensure quality care for Medicaid members.

## Q: Will MCOs be making any further system-wide changes due to COVID-19 in relation to the provider community?

### Answer

No; not at this time. Each provider has been affected differently by COVID-19. Further system-wide, one-size-fits-all approaches are not appropriate. We do, however, encourage our providers to take advantage of the relaxed telemedicine regulations as a tool to administer care to Medicaid members while “normal operations” are disrupted due to COVID-19.

## Q: How will the disruption in services affect the capitation established by the state?

### Answer

The MCOs have a responsibility to focus on the long-term health of the Medicaid system for our Medicaid members, especially considering the COVID-19 crisis. We urge policy makers to consider the long-term view of rates and capitation instead of a snapshot in time. For instance, although utilization will decline during this crisis, services that have been rescheduled or delayed will be increased during next fiscal year (beginning July 1, 2020). What services may not be offered now could significantly increase over the norm in the future. In partnership with the State, we must ensure adequate resources over the long-term and not just for this time period.

## Q: Will MCOs be making advanced payments to providers?

### Answer

There are no plans to execute advanced payments to providers currently. We understand many providers have been negatively affected financially due to Executive Orders eliminating elective procedures, etc. The MCOs’ purpose is to manage care for Medicaid members, not to become lenders like banking institutions. In fact, advanced payments to providers are messy and create long-term liabilities for providers. Loaning money is not our specialty, which is why it is seldomly done and never implemented on a system-wide basis.

There are resources available to providers.

- WV providers have or will received roughly \$480 million in aid from the federal government through various programs and the CARES Act.
- The State provided advanced DPP payments for the 4<sup>th</sup> Quarter to hospitals totaling \$69 million.
- Governor Justice’s re-opening plan now allows for elective procedures and outpatient healthcare to be phased in beginning April 27<sup>th</sup>.

MCOs are not an outlier in this regard. In fact, CMS recently issued a [press release announcing that it will end advanced payments for Medicare](#), citing a myriad of federal relief dollars available for providers. Similarly, PEIA and commercial insurers are not issuing advanced payments. Additionally, the [National Academy for State Health Policy recently encouraged states](#) to carefully follow the federal dollars issued to providers and to take them into account when formulating future budgets. Advanced payments by MCOs to providers only further complicates the system and reconciliation. We do not need to create another hurdle for providers. Instead, we encourage providers to take advantage of the federal programs offered to them as a bridge between now and when services get back online.

Additional resources: <https://nashp.org/why-states-need-to-follow-the-federal-money-to-hospitals/>

<https://www.cms.gov/newsroom/press-releases/cms-reevaluates-accelerated-payment-program-and-suspends-advance-payment-program>