



Commonwealth of Virginia

Virginia Department of Medical Assistance Services

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Virginia Medicaid to Transform Managed Care

**Major procurement will launch next year
targeting a 2024 implementation**

RICHMOND – Virginia Secretary of Health and Human Resources John Littel today announced that the Commonwealth's Medicaid agency plans to launch a transformational new procurement next year to drive innovation and strengthen quality and accountability in its managed care program.

“A best-in-class managed care delivery system is essential to the success of Governor Glenn Youngkin's priority health initiatives, including behavioral health redesign and improvements in maternal health outcomes,” said Secretary Littel. “We are committed to reinventing this public-private partnership to improve health outcomes and maximize the value of the managed care model for both our members and our taxpayers throughout the Commonwealth of Virginia.”

The target implementation date for this \$14 billion procurement is July 1, 2024. State leaders will evaluate commercial health plans that participate in the competitive procurement based on their use of data-driven strategies to address challenges in the rapidly evolving health care environment, including value-based care models that tie funding to measurable improvements in health outcomes.

More than 90 percent of Virginia Medicaid members currently receive services through one of six health plans, which contract with the agency for both of its current managed care programs.

The larger of the two managed care programs, Medallion 4.0, previously sought bids from interested health plans in 2017. The Commonwealth Coordinated Care Plus program for members with higher intensity health needs completed a procurement in 2016 and launched in 2017.

“Managed care has empowered our agency to build committed partnerships that support our mission to improve the health and well-being of Virginians through access to high-quality health care coverage,” said Cheryl Roberts, Director of the Department of Medical Assistance Services. “We look forward to working closely with Governor Youngkin and Secretary Littel to design and implement this ambitious and impactful initiative.”

The Virginia Medicaid agency will hire nationally recognized consultants with expertise in the managed care field to assist in drafting the request for proposals. The agency also plans to seek approval from the General Assembly, as well as input from Medicaid members, health care providers, other state agency representatives and community stakeholders on the design and goals of the new managed care program.

The Virginia Department of Medical Assistance Services (DMAS) plays an essential role in the Commonwealth’s health care system by providing lifesaving medical coverage to one in four Virginians. For more information, visit www.dmas.virginia.gov.

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