



Celebrating

25 years of Virginia Premier



VirginiaPremier™



SENTARA®

Community Report 19-20

A Letter from our CEO



The past year has been both challenging and exciting for Virginia Premier, a recognized leader in serving the most vulnerable residents of the Commonwealth. At this critical time, we are reimagining how to move forward and adapt to changing healthcare needs in this unique landscape. In doing so, we are building on our passion to improve the care and service we provide, and our rich history of experience with caring for our communities.

We continue to collaborate with the Department of Medical Assistance Services (DMAS) to create new models of care delivery while seeking innovative community resources. This includes regional provider partnerships and value-based payment models. While we chart a path forward, our focus remains firmly on strategic initiatives that increase access to quality care while promoting affordability and a meaningful member experience.

I'm very proud of Virginia Premier's talented team, a team that remains dedicated to our members and the mission of inspiring healthy living within the communities we serve, with a focus on those in need. I am excited about our future together, and working to improve the health and lives of our members.

Sincerely,

A handwritten signature in black ink that reads "Dennis Matheis". The signature is written in a cursive, flowing style.

Dennis Matheis
CEO,
Sentara Health Plans



**A Letter from our
Senior Vice President**

Virginia Premier has a long history of serving the Commonwealth's most vulnerable populations. This history aligns with ours at Sentara Health Plans. Together, we are committed to providing outstanding managed care for Medicaid members in the Commonwealth and are working to improve members' health and lives.

According to the Virginia Department of Medical Assistance Services (DMAS), in 2019, Medicaid expansion brought the number of Virginians on Medicaid to more than 1.5 million. By joining forces, Virginia Premier and Sentara Health Plans are building an organization that can expand operationally to serve this larger population. We have developed a shared services model under Sentara Health Plans, allowing us to improve access and clinical outcomes for our members across the state while simultaneously providing a platform to reduce the total cost of care. This model makes us more efficient and leverages our resources to further our commitment to care for the state's most "at risk" populations. It also allows us to accelerate clinical improvements to better manage and serve the population.

We understand that a "one size fits all" approach is not sufficient to improve members' health and lives. Instead, we use both traditional and non-traditional means to reach our members and address their unique needs. We understand that good health is about more than healthcare, and that social determinants of health (SDOH) such as housing, jobs, and access to nutritious food have a greater impact on overall health.

Under the Sentara Health Plans umbrella, we can offer greater access to resources to identify and serve members who are at risk in any of these areas. Together, we also have a larger network of healthcare and social service providers. We are able to partner with these providers to implement new approaches for addressing social determinants of health (SDOH), and, ultimately, improving health and socioeconomic issues in our Medicaid population. I know that we will continue to grow and serve more members together, and I look forward to using our combined resources to better meet the needs of Virginia's most vulnerable residents.

Sincerely,

A handwritten signature in black ink that reads "Patricia J. Darnley". The signature is written in a cursive, flowing style.

Patricia J. Darnley
Senior Vice President, Government Programs,
Sentara Health Plans

**A Letter from our
Medicaid Plan President**



Linda Hines

Virginia Premier is entering a bright new chapter in its journey to serve Virginia's most vulnerable populations. The new relationship with Sentara Health Plans allows us to amplify our mission of making healthcare accessible across the Commonwealth through greater access to partners, providers, technologies and services.

The COVID-19 pandemic has highlighted the necessity for strong partnerships in healthcare. With Sentara Health Plans, we have a partner who prioritizes the member experience. Our combination of community support and customer service will allow us to improve our outreach to our members despite the challenges associated with this pandemic. And our interest in providing value-based care and addressing social determinants of health (SDOH) will generate more positive outcomes for our members.

This year's report provides both a snapshot of our 25 years of accomplishments as well as a taste of the future. It's a future in which we are stronger in partnership with Sentara Health Plans. It's a partnership that supports the mission of giving our members the excellent care they need and deserve.

Sincerely,

A handwritten signature in black ink that reads "Linda Hines". The signature is written in a cursive, flowing style.

**Linda T. Hines
RN, BSN, Medicaid Plan President
Virginia Premier**

Medicaid

At the end of the fiscal year, Medicaid membership in our Medallion 4.0 plan grew to 250,453 members, a 13.79 percent increase over the previous year. This total includes the additional 14,602 members we gained through the expansion of Medicaid, and the 4,539 members we added through our partnership with Kaiser Permanente in Northern Virginia.

Our Managed Long-Term Services and Supports (MLTSS) program that provides care to those with chronic care needs, now covers 35,782 members since we implemented the CCC Plus plan in August 2017.

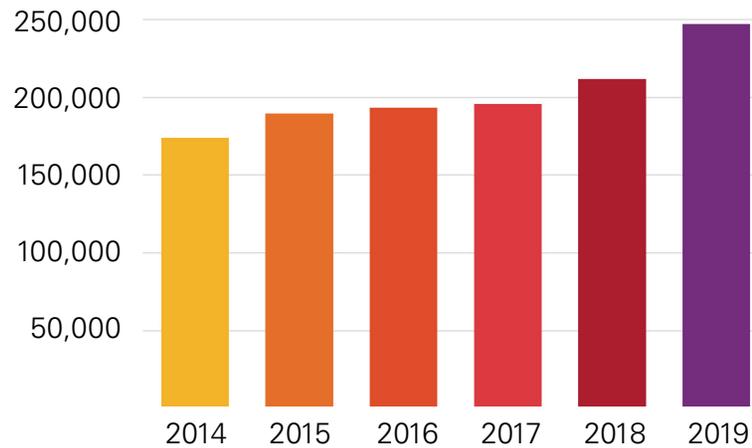
Medicare and Commercial Programs

All three of our Medicare Advantage products have shown membership increases this past year. Our dual Medicare-Medicaid plan enrollment has almost doubled from 2019 to 6,415 enrollees, while our two commercial plans have garnered 2,271 new enrollees.

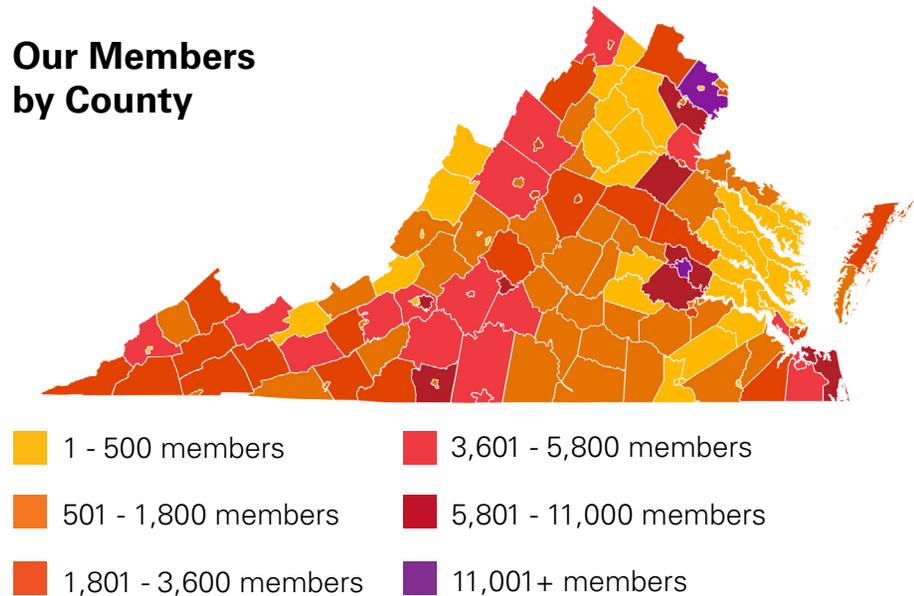
With our new relationship with Sentara Health Plans, Virginia Premier will continue to operate the dual Medicare-Medicaid plan. We will discontinue our commercial plans, introducing our members Optima Health's commercial Medicare plans.

Our Membership

Yearly Growth



Our Members by County



* (8+9+10)

Celebrating
25 years

From Virginia Chartered to Virginia Premier and Beyond

Virginia Premier celebrates a rich history steeped in innovation, quality, compassion and collaboration. Our employees are driven by its mission of inspiring healthy living within the Virginia communities we serve.

The year 2020 marks Virginia Premier's 25th anniversary. We are pleased to bring you our story as told by the employees, partners and leaders who built Virginia Premier into one of the Commonwealth's leading healthcare organizations.

1995

Virginia Chartered Health Plan – the precursor to Virginia Premier Health Plan, Inc. – is incorporated as a full partnership between PHP Healthcare Corporation and VCU Medical Center

1996

Begins serving Medallion 2.0 Medicaid enrollees

1998

Becomes wholly owned by VCU Health

2000

Virginia Chartered changes its name to "Virginia Premier"; also becomes third-party administrator for Virginia Coordinated Care (VCC)

2001

Expands from 30,000 to 68,000 members in Roanoke and Southwest Virginia

2007

Accredited with the National Committee of Quality Assurance (NCQA)

2008

Introduces a special needs plan in preparation for DSNP; this "Gold" plan runs until 2010

2010

Earns not-for-profit tax status

2014

Through 2015, contracts with the Commonwealth for the Financial Alignment Demonstration Plan (Commonwealth Coordinated Care) and opens enrollment

2016

Through 2019, expands its lines of business to include Virginia Premier Advantage Elite and Virginia Premier Elite Plus, several Medicare Advantage and Individual and Family Products; also implements the Commonwealth Coordinated Care Plus and Medallion 4.0 programs in collaboration with DMAS

2020

Sentara Healthcare buys 80% of Virginia Premier, with VCU Health System maintaining 20% ownership; company implements measures to address COVID-19 pandemic

1995

The precursor to Virginia Premier, Virginia Chartered Health Plan, was created as a full partnership between PHP Healthcare Corporation and the Medical College of Virginia (MCV), today known as VCU Health System. The Commonwealth had determined that it was worse for individual health, and more costly to Medicaid, for members to rely on the emergency room for their healthcare. Virginia Chartered's goal as a managed care program was to bring Medicaid recipients into the doctor's office and improve their health.

With 35 employees, Virginia Chartered served members in Central Virginia and Tidewater, and was a sister health maintenance organization (HMO) to DC Chartered, which operated in the District of Columbia. In 1995, Virginia Chartered began signing up members for Medallion 2.0, Virginia's managed Medicaid program, and creating a provider network to serve them. It proved to be difficult work.



Above: Virginia Chartered Health Plan

and most of them lost their jobs because their temporary licenses expired. We were able to get about 1,000 people enrolled into Virginia Chartered and within the first month, January 1, 1996, we lost almost 50 percent of those members. We immediately dropped down to 500 covered lives. Why did we lose so many lives? We didn't have providers." -David M. Summers.

"Because you had to have a licensed insurance agent to go out and get people to sign-up for Medallion 2.0, Virginia Chartered hired about 30 individuals to do this work. Nobody was licensed. When hired, you were issued a temporary insurance license and you had about 90 days to get your license. William Tillery and I were the only two licensed people that they hired. Few others could not get licensed

1996

DMAS changed how members were allocated, introducing an enrollment broker along with auto-assignment. As such, when Medallion 2.0 was rolled out, Virginia Premier had to convince members to switch plans without going door-to-door, which meant getting doctors and providers to vouch for the quality of Virginia Premier's coverage.



Above: LaJune Fowlkes

"We knew the doctors. They knew us, and they trusted us. We were out in the community. They knew that we went the extra mile for our members." -LaJune D. Fowlkes

Linda Hines joined the company as a utilization nurse in 1996 and immediately recognized opportunities where the health plan could make a difference. One of the first challenges she encountered was to bring down the rate of admissions to Neonatal Intensive Care Units (NICUs), which were running at roughly 18 percent. She created the "Ready, Set, Grow" program (later renamed "Healthy HeartbeatsSM"), which helped members overcome barriers to good care by having them learn about proper nutrition and providing them access to daycare and reliable transportation. NICU admissions quickly dropped to 10 percent and kept falling. "Our preterm birth percentages and low birth weight averages dropped below the state and national levels. We won a national award for that program from the America Health Insurance Plans (AHIP). The staff today have continued to grow and enhance that program." -Hines



Above: Original logo for Healthy Heartbeats

1998 – 1999

Medicaid was expanding in states across the nation, and Virginia Chartered was one of four Medicaid health management organizations (HMOs) operating in Virginia. Its member-focused mission shone through in areas such as Case Management and Transportation. Under the direction of former VCU President Eugene P. Trani, Virginia Chartered became wholly owned by VCU Health System and integrated into a nationally recognized academic medical center. Membership and staff grew, and VCU also contributed a large provider base, giving plan members more options for better healthcare.

“We had a local presence. VCU had a commitment to us to helping us [improve our relationship with members and providers] ... It meant better growth opportunities.”
-Hines

Joseph M. Teefey, the former Medicaid Director and Vice President of Community Relations at VCU, was appointed as the first CEO of Virginia Chartered. Carl

Gattusso, Chief Corporate Officer of VCU Health Administration, recruited James “Jim” S. Parrott in 1995 as his right-hand person. Parrott had experience running an HMO with the University of Arizona and was appointed Chief Operating Officer (COO) of Virginia Chartered. Denise Weir became the Chief Financial Officer (CFO).

“Jim’s ability to work with people and his ability to be tough when he had to be really tough was one of his strengths. Everybody loved Jim. He wanted it done the right way, and Jim’s attitude about the right way is one of the reasons that Virginia Premier got as far as it did.” -Teefey

2000

In 2000, Virginia Chartered began a new chapter as Virginia Premier. A company-wide raffle for new company name suggestions was won by Provider Relations Representative Anthony J. Bingham. VCU Brand Center was hired to develop the company’s new brand.



It gave us our own identity. ... Our old corporate logo was four apples. We created the new Virginia Premier logo, which were diamonds. Everything had a significance. ... It gave us an identity and off we went building an organization” -Summers.

In the fall, Virginia Premier partnered with VCU to implement Virginia Coordinated Care for the Uninsured (VCC). The indigent care program was a lifeline to vulnerable populations. VCU contributed their provider base alongside community doctors and Virginia Premier served as the third-party administrator.

“One of the primary goals of [VCC] was to establish a medical home with community providers who were in neighborhoods that people could easily access,”
-Sheryl Garland, MHA, FACHE, Chief of Health Impact, VCU Health System.

In 2012, Health Affairs published a study noting the successes of the VCC program: a 38 percent reduction in emergency room visits; a 45 percent reduction in inpatient admissions; and a reduction in costs of roughly 50 percent.

“Patients were happy and proud to say, ‘I’m going to see my doctor as opposed to going to the clinic. These patients were the best ambassadors in the waiting room. It was a very positive experience.” -Dr. Leon Brown, Jr., MD, Family Practice since 1977.

VCC was sunset in 2019 due to Medicaid expansion.

Weir left the company in 2000 and Timothy “Tim” Carpenter became CFO.

2001 – 2006

Virginia Premier expanded into the Southwest and Roanoke, one of Virginia's most under-served areas in December 2001. Membership was only expected to increase by between 5,000 and 15,000, but instead grew by 38,000.

"That was stellar for us. We were the only managed care organization (MCO) to go into Roanoke at the time. ... We viewed it as an amazing opportunity."

-Michael T. Parker

Eugene "Gene" Pawloski joined Virginia Premier in October 2006 to oversee the expansion of the provider network in Roanoke and southwest Virginia. "We were in the Roanoke area but, we had a very limited network," said Pawloski. "The key was to build a network strong enough because the members followed the doctor. The first thing that I did was to make sure we had relationships with the big networks."

In addition, Dorinda Hunter joined Virginia Premier in 2001 as a Case Manager. She recalls that, during this time, Case Management was separated from Utilization Management, and was refined according to different levels of care, such as behavioral health. Every two weeks, Virginia Premier shared success stories with DMAS, helping them connect with the situation on the ground.

"The trend at that time was that you had different people focusing on Utilization Management as opposed to really supporting that member and their care and helping to drive some of their care management decisions" -Hunter

Member enrollment and operations became more sophisticated with personal identification software and error-reducing processes. These were vital to the rollout of the new dual-eligible Medicare-Medicaid program. To serve the growing Hispanic population, an initiative to hire bilingual staff was launched.

In 2003, Senior Medical Director Dr. Melvin Pinn was hired. His expertise played a key role in the development of Virginia Premier's medical management efforts.



Above: Dr. Melvin Pinn

"One of my lifetime goals was to take care of indigent and poor people. That's why I came to a Medicaid Health plan. We made sure that they had the same level of healthcare that their counterparts would have received in

the commercial world. We had a wonderful staff of care coordinators, health educators and outreach that made that possible. So, 66,000 Medicaid members received A-Plus care from Virginia Premier and we were No. 1 in the provider network." -Pinn

2007

In response to the push for quality from DMAS, Virginia Premier received its accreditation from NCQA. Earning the stamp of approval from the gold standard of quality evaluations required a huge effort, including a new claims platform and software to comply with Healthcare Effectiveness Data and Information Set (HEDIS) measures.

“Quality has always been a focus here at Virginia Premier. ... We worked on the program and the credentialing standards. We achieved 100 percent compliance and stayed there. Today we are still at 100 percent of our credentialing files and standards.” -Jamie McPherson.

Compliance posed similar challenges as accreditation. Employee training was implemented to ensure that Health Insurance Portability and Accountability Act (HIPAA) standards were being followed.

2008 – 2010

The Centers for Medicare & Medicaid Services (CMS) started Financial Alignment Demonstrations programs to align Medicaid and Medicare beneficiaries under one health plan with one payer source. Virginia applied to be a demonstration state abiding by very strict parameters.

“That Gold plan was a jumping off point for us. ... [Virginia] put that out as a procurement. ... We applied. They only selected three plans and we were one of the fortunate ones. ... [We were now serving] a very new population and its special needs. And it was only in the Central Virginia region. This was expanded beyond that and overnight we got 6,000 of these most vulnerable members.” -Hines

Virginia Premier also faced a tough financial challenge in 2008. “It was a combination of things – it was a bad flu season combined with DMAS cutting our rates,” said Carpenter. The company responded by seeking out every opportunity and every metric to lower expenses without impacting member health.

“Our mission was always the most important thing – taking care of our members, no matter what the costs were – making sure that they got the care that they needed. And we found other ways to just tighten savings.” -Joshua Stewart. Within a year and a half, Virginia Premier turned its finances and fortunes around.



Above: *Infants at work photoshoot, 2018*

On the employee front, the Infant at Work program was introduced, instigated by Parrott in 2009. The program allowed parents to bring their newborns to the workplace, alleviating the need for daycare and giving parents more time to bond with their babies. Parrott even gave congressional testimony regarding the program’s merits.

“I was the first person to participate in it. ... Over the years, we grew, and we got to be close to 100 infants at work. We never missed a beat. Infants were in meetings, heard on the phones. It was accepted with much joy warmth and compassion.” -Alicia Turner

2012

Virginia Premier was granted 501(c)(3) status, becoming a nonprofit and committing to investing money back into the health plan. This aligned Virginia Premier with VCU Health System and codified its mission to help vulnerable populations.

2014 – 2015



Above: Virginia Premier Medical Home

In January 2014, Virginia Premier was awarded a contract for Medallion 3.0 and continued to expand throughout the Southwest region. Signing on to Medallion 3.0 meant introducing a managed long-term services and support (MLTSS) program: Virginia Premier CompleteCare (VPCC), a three-year dual-eligible demonstration alignment program supporting statewide expansion of such services. Virginia Premier was one of three insurers chosen to offer this type of plan, which involved a three-way contract with DMAS and CMS. VPCC would set the stage for the Virginia Premier's later MLTSS endeavors.

To address the dearth of healthcare providers in the Roanoke area, Virginia Premier briefly became a healthcare provider itself. The Virginia Premier Medical Home – later renamed the Virginia Premier Neighborhood Health

Center, and sunset in March 2020 – gave members access to doctors and nurses, including much-needed behavioral health and OBGYN care. “That was a beacon for Virginia Premier for five years,” said Dr. John A. Johnson. “It was a place where our members received integrated healthcare. That is innovation at its finest – where a health plan stands in the middle of filling a void in a community that has a shortage of primary care physicians. We opened a clinic and hired clinical staff that were interdisciplinary.”

“It was a rewarding time. It was a hard time. It’s like a string of lights. It just went by very quickly because we were extremely busy. And, then we lost Jim in that process, so they were challenging and interesting times.” -Summers. Parrott suddenly passed away on Labor Day weekend 2015. Gattuso took on the role of interim CEO as a national search began for new leadership to direct Virginia Premier in its continuing mission.

2016 – 2019

Hines, who had been with Virginia Premier for over 20 years and served as the company's vice president of Medical Management and subsequently chief operating officer, was selected as the health plan's new CEO in 2016.

It was a time of expansion and diversification. In addition to the Advantage Elite DSNP plan, two more Medicare Advantage plans - Virginia Premier Advantage Platinum and Advantage Gold (the latter distinct from the company's previous "Gold" product) - were introduced. Virginia Premier was the only Medicare Advantage plan that was contracted with VCU at the time and this presented a local competitive advantage. "Many Medicare beneficiaries are very loyal to their providers ... Beyond that our value proposition was the fact that we were a health plan for Virginians by Virginians" "We serve members who live in our neighborhoods and shop in our grocery stores." -Richard M. Gordon.



Above: Linda Hines



Above: Transportation shoot 2019

The company also contracted with DMAS for Medallion 4.0, Virginia's most recent Medicaid iteration, and another MLTSS program – Virginia Premier Elite Plus – set to succeed VPCC. Getting into MLTSS was essential because the thought was that MLTSS and Medallion were going to be linked. "We thought we were in a good position to win the MLTSS bid and we did. We were one of seven plans chosen by DMAS to operate in the MLTSS space. ... We got our first enrollment in August of 2017 in the Virginia Premier Elite Plus product." -Jamie Talbott

In addition, Virginia Premier entered into an agreement with VCU Health and Bon Secours Health System to offer Individual and Family plans on the health insurance marketplace in 2019. Because the market lacked affordable offerings, Virginia Premier stepped forward to partner with other like-minded organizations and provide affordable access to healthcare for those who needed it.

"All those things combined could crush a very large plan. It did nearly crush us. But we have a very resilient staff, who truly believe in the mission." -Hines

Two key events in 2020 have shaped the way that Virginia Premier will do business in the future. First, Virginia Premier became part of the Sentara Healthcare family, with Sentara owning 80 percent of the company and VCU retaining a 20 percent interest. This winning combination of similar missions, goals and systems of delivery sets the stage for a bright future for the health plan and healthcare in Virginia.

“I am looking forward to the organization – that new partnership – because I think, together, we’ll have the best of both worlds. There are some things that we have already recognized that take advantage of both plans’ strengths. By taking the best of both, our health plans will soar and benefit the citizens of the Commonwealth.” -Hines

The second event was the COVID-19 pandemic. On March 19, DMAS issued a memo clarifying what health plans needed to do and sharing guidance from CMS. Virginia Premier quickly pivoted to support physicians and members as the Commonwealth, country and world navigated the changing environment of this pandemic. Everyone joined forces to meet the DMAS and CMS targets and deadlines.

“This was something the world has never seen before. ... COVID-19 did change the way we look at healthcare and it highlighted that we have risks and vulnerabilities. ... It’s like any other social determinant of health, we must find a way to address the barriers to telehealth. If the people that you are trying to reach can’t receive care, what good is the plan. This is a new one that is coming out of COVID-19.” -Mark E. Mattingly



Paying tribute to Jim Parrott's legacy (1995 – 2015)

Parrott's strong leadership, adept management and strategic skills played a tremendous role in building the solid foundation Virginia Premier maintains today. His determination and compassion resonated throughout the company and beyond, with many recalling his commitment to excellent healthcare for all Virginians. Parrott also touched the lives of many Virginia Premier employees, inspiring them to new heights in their careers and personal lives.

We remember him with smiles and warm thoughts, and are grateful to have known him.

"Jim fiercely advocated for women and children. That was his business and that is what he was an expert in. He did it at Virginia Premier, and he was perfect at it. If you look at Virginia Premier from both an inside and outside perspective, there was a culture there. It was a big family. Everybody did their best. Everybody worked hard. Everybody loved one another. They really cared about the under-served population of Medicaid. It was really a culture that he built." - Carl Gattusso

"Jim listened and was fair. He knew what it took to run a company." - LaJune D. Fowlkes

"Jim was a renaissance man who believed in diversity and helping young people enter the industry. He didn't see color. He didn't see age. He'd didn't see gender. He saw potential in his employees." - David M. Summers



Above: Jim Parrott

Member Stories

Top quality care is essential to our mission. Between wellness programs such as Healthy Heartbeats for expectant mothers and in-home member visits, Virginia Premier has introduced healthy lifestyles and resources to countless members. These services – and the care of our member care coordinators – improve lives across the Commonwealth.

Sheila's Story

Situation:

Shelia S. has multiple sclerosis and lives with her caregiver. Virginia Premier had authorized that she receive equipment to improve her lifestyle, specifically a shower chair and bedside potty. Unfortunately, Sheila's care coordinator, Latonia "Toni" Grant, discovered that Sheila's caregiver was unable to get the equipment because his car was under repair and that he would need to take a taxi to Richmond to retrieve the equipment.

Resolution:

Toni immediately contacted the supplier and made arrangements to pick up the equipment. She requested that a technician assemble the items and load them into her car. Toni delivered the items to Sheila and her caregiver. They were both very grateful for this extra effort.



Above: Latonia "Toni" Grant

Tony's Story

Situation:

Sierra Gaines, a Virginia Premier care coordinator, has been working with Tony S. for a year. During his annual assessment, he let Sierra know that was no longer able to take a daily shower because he was wheelchair bound.

Resolution:

Sierra researched the situation and found that Tony was eligible for an Elderly or Disabled with Consumer Direction (EDCD) Waiver, which allows for environmental modifications to his home. Virginia Premier contributed \$5,000 toward building a shower in Tony's home, with his family covering the rest of the cost. Today, Tony has the necessary resources to take care of his daily health needs.

