

MINUTES
MEDICAL SERVICES FUND ADVISORY COUNCIL
(MSFAC)
TC Energy Conference Room
September 19, 2025

Members and Alternates Present or Online

Cynthia Beane, Commissioner, BMS
Sherri Ferrell, WV Primary Care Association, CEO, MSFAC Chair (online)
Melanie Dempsey, WV Hospital Association (online)
Tracy Hendershot, MD, WV Academy of Family Physicians Representative (online)
Lisa Costello, MD, WV Academy of Family Physicians Representative (online)
Brad Story, WV Behavioral Health Provider Association Representative
Robert Windle, Beneficiary Advisory Council
Sabrina Pendergrass, Beneficiary Advisory Council
Hallie Mason, Dental Association
Scott Brown, WV Pharmacy Association
Evan Worrell (House, non-voting member)
Sarah Young, Deputy Commissioner of Policy and Operations, BMS (alternate)
Justin Cox, Hospice (alternate)
Matthew Davis, WV Academy of Family Physicians (alternate/online)
Matt Walker, WV Academy of Family Physicians (alternate)
Marty Wright, WV Healthcare Association (online)

Bureau for Medical Services Employees (BMS) Present

Margaret Brown
Riley J. Romeo
Jennifer Myers
Regina McCormick
Mandy Carpenter
Joseph Bush
Alice Niday (online)
Joy Burns (online)
Teresa McDonough (online)

Interested Parties Present or Online:

Dr. Mark McDaniel, Health Officer, State of West Virginia
Erin Beck, Mountain State Spotlight
Phil Shimer, TSG Strategies
Benita Whitman, Legal Aid
Jason Landers, Highmark Health Options
Jeff Wiseman, The Health Plan

Welcome, Opening Remarks, and Commissioner's Update:

- Council Chair Sherri Ferrell joined the meeting virtually; therefore, Commissioner Beane served as Chair for the meeting.
- Beane announced that the Council will see new members joining the MSFAC, she then introduced the new West Virginia Medicaid Beneficiaries Advisory Council (BAC), developed due to Federal and Legislative Law, and its members who were in attendance. Beane introduced Jennifer Myers, BMS Director of Professional Services, to elaborate on the BAC.
- Myers announced the BAC will focus on topics that affect Medicaid and the West Virginia Children's Insurance Program (WV CHIP), operations and administration of Medicaid's healthcare programs along with their application and renewal processes, access to and coverage of medical behavioral health and substance use disorder services and the efficiency of care.

- Myers announced the first BAC meeting was held on Thursday, September 18 where the Council discussed newborn screenings and questions were presented regarding the Intellectual/Developmental Disabilities Waiver (IDDW). Myers described the meeting as very productive and stated that at the next meeting, the topic of upcoming work requirements, with new legislation, will be discussed during the next meeting.
- Myers welcomed BAC members Sabrina Pendergrass and Robert Windle to the MSFAC meeting. Commissioner Beane expressed her gratitude to the BAC members for their participation.
- Meeting Minutes from the June 27, 2025, were presented. A motion to approve the Minutes was made and seconded. Minutes were approved.
- Commissioner Beane announced that West Virginia has a Rural Health Transformation Grant opportunity which is one of the provisions in the One Big Beautiful Bill (OBBA). The State will have opportunity to receive hundreds of millions of dollars Beane provided the website on grants to learn more about the Rural Health Transformation Grant and where the money can be spent. The Commissioner feels this is a large opportunity for the State. She further stated that the grant is particularly relevant to West Virginia due to its rural nature and Appalachian location, which presents rural disparities in healthcare. The grant money is shared and interested states must demonstrate why they are in need of the grant and how they will transform rural health with the grant money. Beane announced that the Governor's Office has developed a website where providers, organizations, and residents can provide ideas on the application. The deadline to submit comments is September 28, 2025. The deadline to submit the application is November 5, 2025, and the grant will be rewarded in December 2025. The Governor's Office is working with the McKinsey Consulting Group to finalize the application.
- Commissioner Beane addressed questions regarding the Rural Health Transformation Grant.
- Commissioner Beane announced that the BMS submitted a rate study as requested by legislation. An increase was recommended in some home and community-based services (HCBS) rates, and the report is currently under review.
- The next January 2027, able-bodied expansion members who are non-working will need to be working, doing community services, or education up to 80 hours to maintain coverage. The implementation requires making many decisions, such as defining "work" and "medically frail," and how to handle seasonal work and education breaks. The Centers for Medicare and Medicaid Services (CMS) will not be issuing good-faith waivers for this requirement. West Virginia Health Sciences is assisting with project management to ensure the deadlines are met. The Commissioner noted that the CMS is adamant that states meet the deadline and will not be giving any good faith waivers unless the State faces a statewide tragedy. Money will be received for implementation.
- The Commissioner addressed questions and comments from the MSFAC.

Policy and Operations Update:

- Deputy Commissioner of Policy and Operations, Sarah Young, provided the following updates:
- Medicaid population continues to decrease, with June enrollment at 503,487 and the current number at 499,725.
- In August 2025, the CMS began sharing a monthly state-specific enrollment file for citizenship and immigration status. West Virginia was one of the first 13 states to receive the report. The March Report contained 320 names, however, the September file included 8,000 names. After further investigation, the initial findings suggest it is a data quality issue rather than fraudulent entries, as all of the individuals have social security numbers. The BMS continues to look into the matter.
- A recent website change has caused problems, including lost links for pharmacy reports. Deputy Commissioner Young asked all meeting participants to inform the BMS of any issues they have encountered on the new website.
- The Fall 2025 Provider Workshops will be held virtually over two weeks, beginning October 21st through the 30th that includes morning and afternoon sessions. All managed care organizations (MCOs), dental providers, etc. will be presenting information at the workshops.
- The State is working to narrow down how many people will be affected by the work requirements, leveraging its integrated system for Medicaid, Supplemental Nutritional Assistance Program

(SNAP), and Temporary Assistance for Needy Families (TANF). Since West Virginia has an integrated system, the State has the ability to attain more information on its members, therefore, the system can identify exemptions in a more efficient manner.

State Plan Amendment (SPA) Update:

- Riley J. Romeo presented the following SPAs to the MSFAC:
 - SPA 25-00004 (Clinic Service Page Updates) updates clinic service pages using a new CMS template for mandatory exceptions to Medicaid clinic service benefits for Indian Health Service and tribal clinics. West Virginia is required to submit this SPA even though it has no Indian Health Service (HIS) or tribal clinics. SPA was approved.
 - SPA 25-00005 (Medication Assisted Treatment Coverage) removes the September 30th end date from the language regarding medication-assisted treatment coverage. SPA was approved.
 - Sickle Cell Disease Drug Reimbursement: General Counsel Romeo presented the SPA in concept form, to be effective the first of next year, dealing with certain drugs used to treat sickle cell disease. This is a CMS requirement as part of the Medicare and Medicaid Services Cell Gene Therapy Model. The language in the SPA would take these drugs out of the diagnosis-related group (DRG) rate and allow them to be separately reimbursed, not as part of the bundled inpatient hospital methodology. West Virginia is part of a pilot program for this. The drug does cure sickle cell but costs about \$3 million. SPA was approved.

Finance Update:

- Interim Deputy Commissioner of Finance, Mandy Carpenter, provided the following finance update:
 - The first pie chart showed the percentage of the population needing service for fee-for-service versus MCO, with Mountain Health Promise (MHP) for foster care separated from Managed Health Trust (MHT). The MHP includes only Aetna, while MHT is administered by four MCOs.
 - Average enrollment for the final full year of 2024 versus 2025 was presented.
 - The Key Expenditure Summary showed a decrease in managed care actuals because the state was waiting for CMS approval for state fiscal year 25 and midyear 25 capitation rates. Long-term care showed an increase due to inflationary increases. The increase in home and community-based services is due to rate increases. The premium subsidies increase is due to rate increases.
 - The final 2025 spend and budgeted 2026 spend showed a significant increase in the 2026 budgeted amount. The increase, about \$1.3 billion, is reflective of the change in the hospital Directed Payment Program (DPP).
 - The budget versus actual spend variance for the full year of 2025 was about 2.72% apart from the budgeted amount.
 - The Federal Medical Assistance Percentage (FMAP) trend showed the FMAP is going up to about 74.125% in 2026.
- Carpenter addressed questions and comments from the MSFAC.

Public Comment:

- There were no public comments. The meeting was adjourned.

Minutes submitted by:
Margaret Y. Brown
Bureau for Medical Services