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ARTICLE 12

RELATING TO MEDICAID REFORM ACT OF 2008 RESOLUTION

SECTION 1. Rhode Island Medicaid Reform Act of 2008 Resolution.

WHEREAS, the General Assembly enacted Chapter 12.4 of Title 42 entitled “The Rhode Island Medicaid Reform Act of 2008”; and

WHEREAS, a legislative enactment is required pursuant to Rhode Island General Laws 42-12.4-1, et seq.; and

WHEREAS, Rhode Island General Law 42-7.2-5(3)(a) provides that the Secretary of the Executive Office of Health and Human Services (“Executive Office”) is responsible for the review and coordination of any Medicaid section 1115 demonstration waiver requests and renewals as well as any initiatives and proposals requiring amendments to the Medicaid state plan or category II or III changes as described in the demonstration, “with potential to affect the scope, amount, or duration of publicly-funded health care services, provider payments or reimbursements, or access to or the availability of benefits and services provided by Rhode Island general and public laws”; and

WHEREAS, in pursuit of a more cost-effective consumer choice system of care that is fiscally sound and sustainable, the Secretary requests legislative approval of the following proposals to amend the demonstration:

(a) *Provider Rates -- Adjustments.* The Executive Office proposes to:

(i) Eliminate hospital payments by the projected increases in hospital rates that would otherwise take-effect during the state fiscal year 2018 and reduce the hospital payments by one percent on January 1, 2018.

(ii) Adjust acuity-based payment rates to nursing facilities and eliminate the annual increase in rates that would otherwise take-effect on October 1, 2017;

(iii) Change the acuity-based policy adjustor for payments to hospitals for behavioral health services; and

(iv) Reduce rates for Medicaid managed care plan administration.

Implementation of adjustments may require amendments to the Rhode Island’s Medicaid State Plan and/or Section 1115 waiver under the terms and conditions of the demonstration. Further, adoption of new or amended rules, regulations and procedures may also be required.

1 (b) *Beneficiary Liability Collection Enhancements* – Federal laws and regulations require
2 beneficiaries who are receiving Medicaid-funded long-term services and supports (LTSS) to pay a
3 portion of their income toward in the cost of care. The Executive Office is seeking to enhance the
4 agency’s capacity to collect these payments in a timely and equitable manner. The Executive Office
5 may require federal State Plan and/or waiver authority to implement these enhancements.
6 Amended rules, regulations and procedures may also be required.

7 (c) *Community Health Centers – Alternative payment methodology.* To pursue more
8 transparent, better coordinated, and cost-effective care delivery, the Executive Office proposes to
9 revise the *Rhode Island’s Principles of Reimbursement for Federally Qualified Health Centers*, as
10 amended July 2012, to include in its monthly capitation payments to the health plans the total cost
11 of providing care to the Medicaid plan members the Community Health Centers serve. Pursuing
12 such revisions may also require amendments to the Medicaid state plan and/or other federal
13 authorities.

14 (d) *Healthy Aging Initiative and LTSS System Reform.* The Executive Office proposes to
15 further the goals of the Healthy Aging Initiative and LTSS system rebalancing by pursuing:

16 (i) *Integrated Care Initiative (ICI) – Demonstration amendment.* New enrollment patterns
17 in managed care and fee-for-services Medicaid that will promote the Healthy Aging Initiative goals
18 of achieving greater utilization of home and community-based long-term services and supports
19 options.

20 (ii) *Process Review and Reform.* A review of access to Medicaid-funded LTSS for the
21 purpose of reforming existing processes to streamline eligibility determination procedures,
22 promote options counseling and person-centered planning, and to further the goals of rebalancing
23 the LTSS system while preserving service quality, choice and cost-effectiveness.

24 Implementation of these changes may require Section 1115 waiver authority under the
25 terms and conditions of the demonstration. New and/or amended rules, regulations and procedures
26 may also be necessary to implement this proposal. Accordingly, the Executive Office may require
27 State Plan or the Section 1115 waiver to foster greater access to home and community-based
28 services. Implementation of such changes may also require the adoption of rules, regulations and/or
29 procedures.

30 (e) *Adult Dental Services – Delivery system reform.* The Executive Office proposes to
31 change the payment and delivery system for adult dental services, including rates for oral surgery.
32 Changes to the Medicaid State Plan and the Section 1115 waiver are required to implement these
33 reforms. New and/or amended rules, regulations and procedures may also be necessary.

34 (f) *Estate Recoveries and Liens.* Proposed changes in Executive Office policies pertaining

1 to estate recoveries and liens may require new or amended State Plan and/or Section 1115 waiver
2 authorities. Implementation of these changes may also require new and/or amended rules,
3 regulations and procedures.

4 (g) *Asthma Treatment -- Home Asthma Response Program (HARP)*. HARP is an evidence-
5 based asthma intervention program designed to reduce preventable asthma emergency department
6 visits and hospitalization among high risk pediatric asthma patients. To obtain Medicaid financial
7 participation for implementation of HARP, the Executive Office may be required to adopt State
8 Plan amendments and/or additional authorities under the terms of the Rhode Island's Section 1115
9 demonstration waiver.

10 (h) *Centers of Excellence (COEs) – Opioid Treatment*. The Executive Office proposes to
11 establish a COE to promote best practices in the prevention and treatment of the Rhode Islanders
12 who are addicted to opioids. Pursuing the establishment of COEs financed in part by federal
13 matching Medicaid funds requires certain amendments to the Medicaid State Plan and may
14 necessitate adoption of new or amended waiver authorities, rules, regulations and procedures.

15 (i) *Federal Financing Opportunities*. The Executive Office proposes to review Medicaid
16 requirements and opportunities under the U.S. Patient Protection and Affordable Care Act of 2010
17 (PPACA) and various other recently enacted federal laws and pursue any changes in the Rhode
18 Island Medicaid program that promote service quality, access and cost-effectiveness that may
19 warrant a Medicaid State Plan amendment or amendment under the terms and conditions of Rhode
20 Island's Section 1115 Waiver, its successor, or any extension thereof. Any such actions by the
21 Executive Office shall not have an adverse impact on beneficiaries or cause there to be an increase
22 in expenditures beyond the amount appropriated for state fiscal year 2018.

23 Now, therefore, be it: RESOLVED, the General Assembly hereby approves proposals and
24 be it further;

25 RESOLVED, the Secretary of the Executive Office is authorized to pursue and implement
26 any waiver amendments, State Plan amendments, and/or changes to the applicable department's
27 rules, regulations and procedures approved herein and as authorized by 42-12.4-7; and be it further

28 RESOLVED, that this Joint Resolution shall take effect upon passage.

29 SECTION 2. This article shall take effect upon passage.