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## ARTICLE 14

### 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) Maintain in-patient and out-patient hospital payment rates at SFY 2018 levels.
- (ii) The nursing facility rate adjustment that would otherwise take-effect on October 1, 2018 will not exceed an increase of one percent; and
- (iii) 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.

(b) *Section 1115 Demonstration Waiver – Implementation of Existing Authorities.* To achieve the objectives of the State’s demonstration waiver, the Executive Office proposes to implement the following approved authorities:

- (i) Upon meeting federal guidelines for the timely processing of applications, elimination

1 of retroactive coverage for Medicaid beneficiaries, except for pregnant women and newborn  
2 infants, and promulgate rules, regulations, and/or procedures that establish criteria to provide a  
3 hardship exemption for eligible persons who have a significant need;

4 (ii) Expanded expedited eligibility for long-term services and supports (LTSS) applicants  
5 who are transitioning to a home or community-based setting from a health facility, including a  
6 hospital or nursing home; and

7 (iii) Institute the multi-tiered needs-based criteria for determining the level of care and  
8 scope of services available to applicants with developmental disabilities seeking Medicaid home  
9 and community-based services in lieu of institutional care.

10 (c) *Section 1115 Demonstration Waiver – Extension Request* – The Executive Office  
11 proposes to seek approval from our federal partners to extend the Section 1115 demonstration as  
12 authorized in §42-12.4. In addition to maintaining existing waiver authorities, the Executive Office  
13 proposes to seek additional federal authorities to:

14 (i) Further the goals of LTSS rebalancing set forth in §40-8.9, by expanding the array of  
15 health care stabilization and maintenance services eligible for federal financial participation which  
16 are available to beneficiaries residing in home and community-based settings. Such services include  
17 adaptive and home-based monitoring technologies, transition help, and peer and personal supports  
18 that assist beneficiaries in better managing and optimizing their own care. The Executive Office  
19 proposes to pursue alternative payment strategies financed through the Health System  
20 Transformation Project (HSTP) to cover the state’s share of the cost for such services and to expand  
21 on-going efforts to identify and provide cost-effective preventive services to persons at-risk for  
22 LTSS and other high cost interventions.

23 (ii) Leverage existing resources and the flexibility of alternative payment methodologies  
24 to provide integrated medical and behavioral services to children and youth at risk and in transition,  
25 including targeted family visiting nurses, peer supports, and specialized networks of care.

26 (d) *Financial Integrity – Asset Verification and Transfers*. To comply with federal  
27 mandates pertaining to the integrity of the determination of eligibility and estate recoveries, the  
28 Executive Office plans to adopt an automated asset verification system which uses electronic data  
29 sources to verify ownership and the value of the financial resources and real property of applicants  
30 and beneficiaries and their spouses who are subject to asset and resource limits under Title XIX. In  
31 addition, the Executive Office proposes to adopt new or amended rules, policies and procedures for  
32 LTSS applicants and beneficiaries, inclusive of those eligible pursuant to §40-8.12, that conform  
33 to federal guidelines related to the transfer of assets for less than fair market value established in  
34 Title XIX and applicable federal guidelines. State plan amendments are required to comply fully

1 with these mandates.

2 (e) *Service Delivery*. To better leverage all available health care dollars and promote access  
3 and service quality, the Executive Office proposes to:

4 (i) Restructure delivery systems for dual Medicare and Medicaid eligible LTSS  
5 beneficiaries who have chronic or disabling conditions to provide the foundation for implementing  
6 more cost-effective and sustainable managed care LTSS arrangements. Additional state plan  
7 authorities may be required.

8 (ii) Expand the reach of the RItE Share premium assistance program through amendments  
9 to the Medicaid state plan to cover all adults, ages 19 and older, who have access to a cost-effective  
10 Executive Office approved employer-sponsored health insurance program.

11 (f) *Non-Emergency Transportation Program (NEMT)*. To implement cost effective  
12 delivery of services and to enhance consumer satisfaction with transportation services by:

13 (i) Expanding reimbursement methodologies; and

14 (ii) Removing transportation restrictions to align with Title XIX of Federal law.

15 (g) *Community First Choice (CFC)*. To seek Medicaid state plan and any additional waiver  
16 authority necessary to implement the CFC option.

17 (h) *Alternative Payment Methodology*. To develop, in collaboration with the Department  
18 of Behavioral Healthcare, Development Disabilities and Hospitals (BHDDH), a health home for  
19 providing conflict free person-centered planning and a quality and value based alternative payment  
20 system that advances the goal of improving service access, quality and value.

21 (i) *Opioid and Behavioral Health Crisis Management*. To implement in collaboration with  
22 the Department of Behavioral Healthcare, Development Disabilities and Hospitals (BHDDH), a  
23 community based alternative to emergency departments for addiction and mental  
24 health emergencies.

25 (j) *Federal Financing Opportunities*. The Executive Office proposes to review Medicaid  
26 requirements and opportunities under the U.S. Patient Protection and Affordable Care Act of 2010  
27 (PPACA) and various other recently enacted federal laws and pursue any changes in the Rhode  
28 Island Medicaid program that promote service quality, access and cost-effectiveness that may  
29 warrant a Medicaid State Plan amendment or amendment under the terms and conditions of Rhode  
30 Island's Section 1115 Waiver, its successor, or any extension thereof. Any such actions by the  
31 Executive Office shall not have an adverse impact on beneficiaries or cause there to be an increase  
32 in expenditures beyond the amount appropriated for state fiscal year 2019.

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

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

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

5           SECTION 2. This Article shall take effect upon passage.