RHODE ISLAND COMPREHENSIVE
SECTION 1115 DEMONSTRATION FACT SHEET

Name of Section Demonstration/Waiver: Rhode Island Comprehensive Demonstration

Date Proposal Submitted: August 8, 2008
Date Proposal Approved: January 16, 2009
Date Implemented: July 1, 2009
Date Expires: December 31, 2013

Date Renewal Submitted: August 15, 2013
Date Extension Approved: December 23, 2013
Extension Expiration: December 31, 2018

Number of Amendments: 2

SUMMARY

The Rhode Island Medicaid Reform Act of 2008 (R.I.G.L §42-12.4) directed the state to apply for a global demonstration under the authority of section 1115(a) of title XI of the Social Security Act (the Act) to restructure the state’s program to establish a “sustainable cost-effective, person-centered and opportunity driven program utilizing competitive and value-based purchasing to maximize available service options” and “a results-oriented system of coordinated care.” Therefore, on August 8, 2008 Rhode Island submitted to CMS a section 1115 demonstration application entitled the Rhode Island Global Consumer Choice Compact, now known as the Rhode Island Comprehensive Demonstration.

Approval of this demonstration provides the state with greater administrative flexibility than is available under existing program guidelines. Rhode Island uses the additional flexibility afforded by the waiver to redesign the state’s Medicaid program to provide cost-effective services that will ensure beneficiaries receive the appropriate services in the least restrictive and most appropriate setting. Under this demonstration, Rhode Island can submit three different types of change requests, each of which utilizes a different type of review process:

- **Category I**: Is a change which is administrative in nature for which the state has current authority under the state plan or demonstration, and which does not affect beneficiary eligibility, coverage, overall healthcare delivery systems, or cost sharing. Examples include changes to general operating procedures and prior authorization procedures. This type of change requires the state to notify CMS.

- **Category II**: Is a change that could have been made as a state plan amendment (SPA) or for which no changes need to be made to the special terms and conditions (STCs), waiver or expenditure authorities. This type of change may affect benefit packages, overall healthcare delivery systems, cost sharing levels, and post-eligibility contributions to the cost of care. Examples of this type of change include changes to services offered to beneficiaries and cost sharing changes. This type of change is subject to a specific CMS
review process outlined in the STCs.

- **Category III**: Is a change requiring modifications to the current waiver or expenditure authorities including descriptive language within those authorities and the STCs, and any other change that is not within Categories I and II. Examples of this type of change include all eligibility changes and spend-down level changes. This type of change requires the state to submit an amendment to the demonstration.

Rhode Island operates its entire Medicaid program under a single section 1115 demonstration. This demonstration includes the following programs: Rite Care, Rite Share, Extended Family Planning, Rhode Health Partners, Connect Care Choice, Home and Community Based Services (HCBS), and Rite Smiles. All Medicaid funded services on the continuum of care – from preventative care in the home and community to care in high-intensity hospital settings to long-term and end-of-life care – will be organized, financed, and delivered through the demonstration.

**AMENDMENTS**

Amendment #1

Rhode Island requested an amendment to align the demonstration with a Children’s Health Insurance Program (CHIP) SPA. The CHIP SPA expanded coverage to pregnant women whose family income is between 185 and 250 percent of the Federal poverty level (FPL) and who lacked other health insurance. To align with this CHIP amendment, the expenditure authority of this demonstration was amended to only cover pregnant women with income between 185 and 250 percent of the FPL when these women have third party liability (TPL) or other coverage. This amendment also grants the state the expenditure authority to claim title XIX matching funds for pregnant women covered under CHIP in the event of a title XXI funding shortfall.

Date Amendment #1 Submitted: July 9, 2009
Date Amendment #1 Approved: December 9, 2009 (effective December 1, 2009)

Amendment #2

Rhode Island requested an amendment to ensure the continuation of workforce training and other vital health care programs while the state devotes increased state resources to a “Health System Transformation Project” that will positively impact the Medicaid program. DSHP funding will be limited to the additional state funding attributable to the establishment of Accountable Care Entities through Medicaid managed care contracts, net of savings attributable to the operation of those entities and the costs associated with the Hospital and Nursing Home Incentive program. The Accountable Entities (AEs) will be responsible for improving the quality of care, and there will
be Alternative Payment models established, between MCO health plans and AEAs through the development of value-based contracts. The amount of DSHP funding will be phased down over the period of the demonstration as the implementation costs associated with AEAs diminish and savings resulting from their operations reduce funding needs. This approval also makes a minor administrative change to the RIte Smiles Program and restores the Institutional Level of Care Determination that was in effect prior to May 2016.

ELIGIBILITY
All Medicaid participants are covered under this demonstration. The following groups are eligible under the demonstration:

- Children with family income up to 250 percent of the FPL;
- Pregnant women up to 250 percent of the FPL;
- Parents and caretakers adults up to 133 percent of the FPL;
- Women with incomes up to 250 percent of the FPL eligible coverage under the Extended Family Planning program;
- Aged, blind, and disabled individuals, including eligible Medicare beneficiaries;
- Children with special health care needs eligible for Medicaid under Rhode Island’s existing state plan and enrolled in RIte Care on a mandatory basis;
- Home and Community Based (HCB) waiver services to individuals not eligible for Medicaid;
- Services for uninsured adults with mental illness or substance abuse problems not eligible for Medicaid;
- Continued eligibility for RIte Care parents with behavioral health conditions that result in their children being temporarily placed in state custody, who would otherwise lose RIte Care eligibility;
- Disabled and early widows and widowers with income up to 100 percent SSI and resources of up to $2,000;
- Residential diversion for HCB waiver services for children who would be voluntarily placed in state custody to receive those services;
- Coverage for HCB waiver services for at risk Medicaid eligible youth;
- Detection, intervention and treatment services for young children at risk for Medicaid or institutional care provided through early intervention;
- Uninsured women under age 65 who are screened for breast and cervical cancer under the CDC’s National Breast and Cervical Cancer Early Detection Program;
- TEFRA children with income up to 300 percent of the SSI Federal benefit level;
• Limited benefit package for HIV-positive individuals with incomes below 200 percent of the federal poverty level (FPL);
• Limited benefit package for low-income adults eligible for the state’s General Public Assistance program, ages 19-64 who are unable to work due to a variety of health conditions, but do not qualify for disability benefits;
• HCB wrap services to adults ages 19-64 with Alzheimer’s Disease or a related dementia, who have incomes at or below 250 percent of the FPL;
• Young adults ages 19-21 who are aging out of the Katie Beckett eligibility group with incomes below 250 percent of the FPL; and
• Low-income adults ages 19-64 with incomes at or below 133 percent of the FPL.

DELIVERY SYSTEM
Individuals receiving primary and acute care services under the Rhode Island Comprehensive Demonstration are required to enroll in fully capitated, prepaid health plans under contract with the state to provide comprehensive health services to participants for a fixed cost per enrollee per month.

• RIte Care provides Medicaid state plan and additional benefits to most recipients eligible under the state plan who are not aged, blind, or disabled (ABD). These benefits are provided through comprehensive mandatory managed care delivery systems.
• Rhody Health Partners provides Medicaid state plan benefits to ABD beneficiaries and the New Adult Group who do not have access to other health insurance through a managed care delivery system.
• Connect Care Choice provides Medicaid state plan benefits to ABD and Medicare-Medicaid beneficiaries who do not have access to other health insurance through a primary care case management system.
• Rhody Health Options is a managed care delivery system for Medicaid only and Medicare-Medicaid eligibles that utilizes a community health team and a Coordinating Care Entity to integrate Medicaid benefits.

The plans are responsible for ensuring that each enrollee has a primary care provider and is afforded access to all medically necessary health care services included in the benefit package. Children with special health care needs have full access to managed care organization (MCO) provider networks as well as the option to access specialty providers as their primary care providers (PCPs) or to access providers out of network, if needed.

RIte Share is a premium assistance program for individuals who would qualify for RIte Care and who have access to cost-effective employee-sponsored health insurance (ESI). RIte Share pays for the individual’s share of the ESI premium (minus the RIte Share premium), plus other cost sharing such as coinsurance and deductibles.

RIte Smiles is a pre-paid dental ambulatory health plan that provides dental services for Medicaid eligible children born after May 1, 2000.

Institutional and Home and Community Based long-term care services are delivered either through fee for service (FFS) or self-direction.
• **Fee for service**: Beneficiaries are able to access long-term care services by choosing the Medicaid participating agency or provider who will deliver the service. This provider will then be reimbursed on a FFS basis.

• **Self Direction**: Beneficiaries and their families will also have the option to purchase Home and Community Based waiver services through a self-direction delivery system. The beneficiary, with the support of a fiscal intermediary, will be able to purchase services directly.

**Extended Family Planning** provides access to family planning and family planning-related services, and referrals to primary care services for women with family income at or below 250 percent of the Federal poverty level (FPL) who lose Medicaid eligibility under RIte Care at the end of their 60 day postpartum period. This program reimburses providers on a FFS basis.

The **Marketplace Subsidy Program** provides premium subsidies to help partially offset premium costs for parents and caretaker relatives with incomes above 133 percent of the FPL through 175 percent of the FPL who purchase health insurance through the state based Marketplace.

**BENEFITS**

Health plans under contract to the state are required to offer a comprehensive benefits package which includes most services currently covered under Medicaid. Services which are currently covered under the state plan, but which are not included in the prepaid benefit package, continue to be provided and reimbursed on a fee-for-service basis. However, the state has the authority under the demonstration to vary the amount, duration and scope of services.

RIte Care enrollees have access to the services listed in Attachment A of the STCs in addition to state plan benefits. These expanded benefits are: nutrition services; parenting and childbirth education classes; tobacco cessation services; and window replacement for lead-poisoned children.

Extended Family Planning provides access to family planning and family planning-related services, and referrals to primary care services for women with family income at or below 200 percent of the FPL who lose Medicaid eligibility under RIte Care at the end of their 60 day postpartum period.

Home and Community Based Waiver Services are offered under this demonstration.

Limited benefits are offered to certain eligible populations in this demonstration, including HIV pharmacy and case management services, mental and behavioral health services, and physical health benefits.

Dental benefits are provided to Medicaid eligible children born after May 1, 2000.

**QUALITY AND EVALUATION PLAN**
The state continues to utilize the quality assurance mechanisms that were in place prior to the enactment of this demonstration. HCBS will utilize a QA/QI plan consistent with the Quality rubric utilized in the 1915(c) waiver program.

The state will evaluate the demonstration as a whole and its various components. Specifically, the state will evaluate:
1. LTC Reform, including the HCBS-like and PACE-like programs;
2. RIte Care
3. RIte Share
4. The 1115 expansion programs, including but not limited to:
   a. Children and families in managed care and continued eligibility for RIte Care parents when children are in temporary state custody;
   b. Children with special health care needs;
   c. Elders 65 and over;
   d. HCBS for: frail elders, adults with disabilities, kids in residential diversion, and at risk/Medicaid eligible youth;
   e. Uninsured adults with mental illness/substance abuse problems;
   f. Coverage of detection and intervention services for at risk young children;
   g. HIV services;
   h. Administrative process flexibility;
   i. Extended Family Planning program, which will include an analysis of averted births, inter-birth spacing and primary care referrals;
   j. The Marketplace Subsidy Program; and
   k. Accountable Entity Program.

COST SHARING
The following table shows the premium limits for adults, children, pregnant women, and extended family planning beneficiaries with incomes at or below 250 percent of the FPL.

Note that there is no cost sharing for any of these individuals with family income at or below 150 percent FPL. The cost sharing applies to both the RIte Care and RIte Share programs.

<table>
<thead>
<tr>
<th>Family Income Level</th>
<th>children under 1*</th>
<th>children 1 to 19th birthday *</th>
<th>adults</th>
<th>pregnant women</th>
<th>extended family planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>150-185 percent FPL</td>
<td>None</td>
<td>Up to 5 percent of family income</td>
<td>Up to 5 percent of family income</td>
<td>None</td>
<td>None</td>
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<tr>
<td>185-200 percent FPL</td>
<td>None</td>
<td>Up to 5 percent of family income</td>
<td>Up to 5 percent of family income</td>
<td>None</td>
<td>None</td>
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<tr>
<td>200-250 percent FPL</td>
<td>None</td>
<td>Up to 5 percent of family income</td>
<td>Up to 5 percent of family income</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

*no cost sharing or premiums for children in foster care or adoption subsidy

There is no cost sharing or premiums for children under age one (1), children in foster care or who receive an adoption subsidy, Chafee children, or Alaska Native/American Indian children and adults.

Cost sharing for BBA working disabled adults (as defined in section 1902(a)(10)(A)(ii)(XIII) will follow the Medicaid state plan. All unearned income over the Medically Needy Income Limit will be owed as a monthly premium.

Individuals age 65 or older who are at risk for long-term care with income at or below 200 percent FPL and who are in need of home and community based services (a state only group) will be subject to cost sharing that is treated like post-eligibility treatment of income or spend-down requirements.

**STATE FUNDING SOURCE**
The special terms and conditions (STCs) that govern the operation of this demonstration stipulate that the state funding source for this demonstration is state and local monies. The STCs require Rhode Island to certify that these funds shall not be used as the match for any other Federal grant or contract, except as permitted by law. Furthermore, the STCs specify that premiums paid by enrollees and collected by the state shall not be used as a source of non-federal share.

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