DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop: S2-25-26
Baltimore, Maryland 21244-1850

State Demonstrations Group

February 12, 2026

Kristin Sousa
Assistant Secretary and State Medicaid Director
Rhode Island Executive Office of Health and Human Services
3 West Road, Virks Building
Cranston, RI 02920

Dear Director Sousa:

The Centers for Medicare & Medicaid Services (CMS) completed its review of the Final Report for the "Rhode Island COVID-19 Public Health Emergency (PHE)" section 1115(a) demonstration (Project Number: 11-W-00348/1), approved on July 21, 2020. This report covers the demonstration period from March 1, 2020, through July 11, 2023. CMS determined that the Final Report, submitted on December 16, 2025 is in alignment with the CMS-approved Evaluation Design, and therefore approves the state's Final Report.

The approved Final Report may now be posted on the state's Medicaid website. CMS will also post the approved Final Report on Medicaid.gov.

We sincerely appreciate the state's commitment to evaluating the COVID-19 PHE. If you have any questions, please contact your CMS demonstration team.

Sincerely,

DANIELLE DALY -S
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Date: 2026.02.12 05:50:11 -05'00'

Danielle Daly
Director
Division of Demonstration Monitoring and Evaluation

Enclosure
cc: Joyce Butterworth, State Monitoring Lead, CMS Medicaid and CHIP Operations Group

Rhode Island COVID-19 Public Health Emergency Section 1115 Demonstration

Project No. 11-W-00348/1

November 19, 2025

Introduction

On July 21, 2020, The Centers for Medicare & Medicaid Services (CMS) approved Rhode Island's request for waiver and expenditure authority under a section 1115(a) demonstration to address the COVID-19 Public Health Emergency. The approval was authorized retroactively from March 1, 2020.

The approval included waiver authority for the state to apply discretion to vary the amount, duration, and scope of services based on population needs; to provide different services to different beneficiaries in the same eligibility group, or different services to beneficiaries in the categorically needy and medically needy groups; and to allow the state to triage access to non-emergency medical transportation (NEMT) and long-term services and supports (LTSS) based on highest need. Specifically, this included flexibility to prioritize transportation to critical member services, such as dialysis, medical physician, and Medication-Assisted Treatment appointments, among other essential services, in the event the healthcare system becomes overwhelmed. In addition, given the social distancing recommendations proven to minimize exposure to COVID-19, the State was granted authority to waive the "least-costly method" requirement that would constrain beneficiaries' transportation options to methods of NEMT that do not enable maintaining at least six feet of distance. As noted in the state's Evaluation Design Plan, approved on October 13, 2020, Rhode Island's healthcare system did not become overwhelmed such that these authorities needed to be invoked. The state did not exercise any authorities related to the amount, duration, or scope waiver and therefore has not conducted an evaluation of those authorities.

The approval also included expenditure authority for the state to make retainer payments to providers of personal care services and services provided in adult day health settings using the rehabilitative services benefit as defined under section 1905(a) of the Social Security Act to maintain capacity during an emergency. The retainer payment time limit was limited to 30 consecutive days, and retainer payments were not permitted to exceed the approved rates or average expenditure amounts paid during the previous quarter for the services that would have been provided. Rhode Island did implement these retainer payments for adult day health settings, and therefore this evaluation examines utilization and expenditures for those services.

Evaluation Methodology

Data sources:

Rhode Island used the state's Medicaid Management Information System to examine claims data for adult day health services.

Rhode Island proposed leveraging survey data as part of its initial evaluation plan. However, several factors prevented survey data from being available or useful for this purpose.

During the time period in question, Rhode Island administered the National Core Indicators for Intellectual and Developmental Disabilities survey (NCI-IDD). However, the impact of the surveys being conducted in-person during a time when in-person contact was limited, resulted in the number of completed surveys not meeting the NCI's benchmark for validation as being statistically significant. As a result, Rhode Island does not have NCI-IDD survey data for 2018, 2019, 2022 or 2023; additionally, the survey was not conducted in 2020 due to the public health emergency (PHE). The only year NCI-IDD survey data is available in 2021, but one year of survey data is not sufficient for comparative evaluation per our proposed methodology.

Rhode Island began to pursue implementation of the NCI for Aging and Disabilities (AD) populations in 2023 after receiving technical assistance and researching options for patient experience of care surveys available for a broader population. The NCI-AD was first administered in 2024 with results from that survey still pending. The 2025 survey data is outside the period of time relevant to this evaluation.

Rhode Island's Medicaid Managed Care Organization administer the CAHPS survey annually and although that survey data is available except for 2020 when reporting was paused due to the PHE, the survey questions and the population surveys are too general to be meaningful for use in this evaluation.

<u>Overarching Questions:</u>

Rhode Island's evaluation questions and hypotheses were motivated by the following overarching questions:

1. What challenges is the PHE creating, including engagement with Medicaid beneficiaries?
2. What populations are principally affected by the Demonstration?
3. What policies, procedures, and strategies are the State pursuing to address these challenges?
4. How will the State know if these strategies are successful?
5. What are ongoing challenges related to implementing the demonstration flexibilities?

Evaluation measures:

Rhode Island examined the following two measures:

1. Adult day service utilization by month for calendar years 2019, 2020, 2021, and 2022, and January through July 11, 2023.
2. Adult day service expenditures by month for calendar years 2019, 2020, 2021, and 2022, and January through July 11, 2023.

Populations:

The population of interest is Medicaid beneficiaries who use adult day health services.

Hypotheses:

The primary hypothesis for this Demonstration is that the retainer payments made to adult day health providers in the early months of the COVID-19 PHE would support maintenance of beneficiary access to services. The state expected to see this outcome reflected in stable utilization of these services following the initial period during which COVID-19 precautions limited individuals' ability to attend adult day services.

Findings:

The following tables reflect the utilization and expenditures for adult day health.

Utilization by Month and Year:

	CY19	**CY20**	**CY21**	**CY22**	**CY23**
Jan	909	941	239	488	655
Feb	916	965	241	531	650
Mar	939	887	266	571	689
Apr	959	<11	307	595	696
May	997	<11	429	613	716
Jun	996	<11	495	649	739
Jul	1025	121	537	628	663*
Aug	1017	248	536	640	
Sep	984	319	559	632	
Oct	998	344	569	658	
Nov	990	248	573	657	
Dec	942	224	559	661	

*Data through July 11, 2023

Expenditures by Month and Year:

	CY19	**CY20**	**CY21**	**CY22**	**CY23**
Jan	$775,538.18	$871,993.90	$219,620.00	$706,709.10	$621,795.58

Feb	$732,250.34	$815,792.04	$172,403.63	$786,981.80	$576,395.64
Mar	$814,709.56	$410,749.08	$250,091.75	$912,642.80	$697,414.54
Apr	$884,707.10	$4,778.00	$261,133.29	$556,267.64	$638,131.60
May	$916,485.80	$3,778.10	$380,345.89	$601,631.65	$719,323.56
Jun	$860,400.89	$3,388.00	$450,206.00	$612,854.98	$708,990.56
Jul	$960,168.16	$56,128.36	$962,277.20	$567,552.70	$328,282.66*
Aug	$947,944.50	$201,615.66	$1,001,158.24	$643,849.56	
Sep	$894,089.60	$245,356.90	$771,792.64	$575,758.72	
Oct	$951,778.32	$307,756.99	$498,449.55	$594,075.78	
Nov	$807,260.22	$189,651.00	$882,727.55	$580,387.62	
Dec	$784,481.16	$166,026.00	$825,714.00	$569,711.60	

*Data through July 11, 2023

Limitations:

Any enrollment counts under 11 have been suppressed to ensure confidentiality of personal health information.

Discussion:

This discussion is organized to support analysis of the State's five overarching questions, noted above.

1. What challenges is the PHE creating, including engagement with Medicaid beneficiaries?

   The PHE affected made it difficult to engage with Medicaid beneficiaries, because it was necessary for most individuals to remain largely isolated for several months in the spring and summer of 2020. The isolation limited beneficiaries' engagement with Medicaid services and providers. This reality is reflected in the data, which showed that, as expected, the months that were most acutely affected by COVID-19 public health mitigation measures reflect the greatest drop in utilization and claims expenditures for adult day services. April, May, and June 2020 saw precipitous drops in both utilization and claims expenditures.

   Utilization and expenditures rebounded somewhat over the last six months of 2020 and the first half of 2021, before appearing to stabilize – coinciding with widespread access to COVID-19 vaccinations in the summer of 2021. However, the monthly utilization of adult day health remained below 2019 levels through the entire PHE period. In January through June 2023, enrollment ranged from 71% to 74% of 2019 levels for those months. (July 2023 enrollment was only 65% of July 2019, however this is likely due to the conclusion of the PHE 11 days into the month of July.) This

may suggest a longer-term reduction in utilization, in spite of the stabilizing effect of retainer payments early in the PHE.

2. What populations are principally affected by the Demonstration?

   As noted above, the primary affected population is Medicaid beneficiaries who would, under typical circumstances, utilize adult day services.

3. What policies, procedures, and strategies is the State pursuing to address these challenges?

   The policy reflected in this Demonstration is one key example of a policy Rhode Island pursued to mitigate the challenges posed by the PHE. By supporting adult day providers at a time when they were not able to provide services due to public health mitigation measures, the State sought to maintain capacity for a future point when people would be able to return.

   In addition, Rhode Island implemented temporary rate increases, authorized under a state plan amendment, during the period November 2021 through March 2022. These increased rates likely impacted expenditures in that period and represented another strategy to maintain and rebuild capacity for these providers.

4. How will the State know if these strategies are successful?

   The State has examined the utilization data above to help evaluate the impact of these strategies. Rhode Island concludes, based on these data, that the duration of depressed utilization through 2020 and early 2021 had an impact on provider capacity and utilization long-term. It is also likely that other factors, such as labor market conditions, played a role in adult day capacity constraints.

   As reflected in the Evaluation Design Plan, the state did not attempt to evaluate the counterfactual question of what levels of utilization and expenditures would have occurred *absent* the retainer payments authorized under this Demonstration and other strategies, such as rate increases, implemented later in the PHE period. The State does anticipate that maintenance of nearly three-quarters of pre-pandemic capacity would not have been possible without these strategies.

5. What are ongoing challenges related to implementing the demonstration flexibilities?

   At this stage, Rhode Island is not conducting any ongoing implementation activities related to this Demonstration, because the authority and basis for the retainer payments have concluded. In general, Rhode Island continues to rebuild provider capacity using strategies such as ongoing, periodic rate reviews to ensure that Medicaid rates are sufficient to support access to services.