

Table of Contents

State/Territory Name: Rhode Island

State Plan Amendment (SPA) #: 24-0020

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Form CMS 179
- 3) Approved SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

February 26, 2025

Richard Charest, R.Ph, MBA, Secretary
Executive Office of Health and Human Services
3 West Road, Virks Building
Cranston, RI 02920

Re: Rhode Island State Plan Amendment (SPA) 24-0020

Dear Mr. Charest:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 24-0020. This amendment proposes to extend the current exemption to the Recovery Audit Contractors (RACs) requirement to have a vendor that identifies and corrects improper Medicaid payments through the collection of overpayments and reimbursement of underpayments.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations 42 CFR § 455.516 and 42 CFR § 430.20. This letter informs you that Rhode Island's Medicaid SPA TN 24-0020 was approved on February 26, 2025, and effective from August 5, 2024 to August 4, 2026.

Enclosed are copies of Form CMS-179 and approved SPA page to be incorporated into the Rhode Island State Plan.

If you have any questions, please contact Joyce Butterworth at (857) 357-6375 or via email at Joyce.Butterworth@cms.hhs.gov.

Sincerely,

A large black rectangular box redacts the signature of James G. Scott.

James G. Scott, Director
Division of Program Operations

Enclosures

cc: Kristin Sousa, Interim Medicaid Program Director
Kathryn Thomas, Senior Economic and Policy Analyst

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 4 — 0 0 2 0

2. STATE

RI3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL
SECURITY ACT

XIX



XXI

TO: CENTER DIRECTOR

CENTERS FOR MEDICAID & CHIP SERVICES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

08/05/2024

October 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR § 455.516

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025\$ 0b. FFY 2026\$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Section 4.5 page 36b

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)

Section 4.5 page 36b (TN 22-0016)

9. SUBJECT OF AMENDMENT

RAC Exemption

10. GOVERNOR'S REVIEW (Check One)



GOVERNOR'S OFFICE REPORTED NO COMMENT



COMMENTS OF GOVERNOR'S OFFICE ENCLOSED



NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL



OTHER, ASSPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL



12. TYPED NAME

Richard Carest

13. TITLE

Secretary, EOHHS

14. DATE SUBMITTED

12/30/24

15. RETURN TO

EOHHS

3 West Road

Cranston, RI 02920

FOR CMS USE ONLY16. DATE RECEIVED
12/30/202417. DATE APPROVED
02/26/2025**PLAN APPROVED - ONE COPY ATTACHED**18. EFFECTIVE DATE OF APPROVED MATERIAL
08/05/2024

19. SIGNATURE



20. TYPED NAME OF APPROVING OFFICIAL

James G. Scott

21. TITLE OF APPROVING OFFICIAL

Director, Division of Medicaid Operations

22. REMARKS

02/14/2025: The state authorized the following Pen & Ink changes:
Box 4: change effective date from 10/01/2024 to 08/05/2024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Rhode Island

4.5b Medicaid Recovery Audit Contractor Program

Citation	
<p>Section 1902(a)(42)(B)(i) of the Social Security Act</p>	<p>_____ The State has established a program under which it will contract with one or more recovery audit contractors (RACs) for the purpose of identifying underpayments and overpayments of Medicaid claims under the State plan and under any waiver of the State plan.</p> <p><u>X</u> The State is seeking an exception to establishing such program for the following reasons:</p> <ul style="list-style-type: none"> • The State has an approved RAC waiver effective August 5, 2022 to August 4, 2024. • The last RAC contractor found few recoveries during two years of review. Based upon the small recovery, the contractor elected not to exercise the two option years under the contract • The state's Managed Care population makes up approximately 90% of all Medicaid enrollees, therefore it is not cost beneficial for auditing firms to submit bids. • EHHS has pre- and post- payment automated review mechanisms and audit controls to prevent and detect improper payments. • Several federal and state agencies conduct periodic reviews of the Medicaid eligibility systems, the claims processing function, and the Program Integrity unit. • The state is requesting an extension of the exemption from establishing a Medicaid RAC program, effective August 5, 2024 through August 4, 2026.

TN No: ~~24-0020~~
 Supersedes
 TN No: ~~22-0016~~

Approval Date: February 26, 2025Effective Date: August 5, 2024