RHODE ISLAND GLOBAL CONSUMER CHOICE COMPACT
SECTION 1115 DEMONSTRATION FACT SHEET

February 18, 2009

Name of Section 1115 Demonstration: Rhode Island Global Consumer Choice Compact
Waiver Number: 11-W-00242/1
Date Proposal Submitted: August 8, 2008
Date 1115(a) Proposal Approved: January 16, 2009
Date 1115(a) Implemented: To Be Determined

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 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.

Approval of this demonstration provides the State with greater administrative flexibility than is available under existing program guidelines. Rhode Island will use 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.

Accordingly, Rhode Island will operate its entire Medicaid program under a single section 1115 demonstration. 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. Rhode Island’s Section 1115 Rite Care and Rite Share programs for children and families, the 1915(b) Dental Waiver, and the Section 1915(c) Home and Community Based Services waivers will be subsumed under the Global Consumer Choice Compact Demonstration.

The main objectives of the Rhode Island section 1115 demonstration are to:

1. Provide cost-effective services that will ensure beneficiaries receive appropriate services in the least restrictive and most appropriate setting; and
2. Test whether administrative flexibility can allow the State to more efficiently run its Medicaid Program.
ELIGIBILITY
The following groups are eligible under the demonstration.

- TANF and TANF-related parents, children and pregnant women eligible for Medicaid under Rhode Island's existing state plan up to 250 percent of the FPL;
- Children ages 8 through 18 who meet the definition of “optional targeted low income child” up to 250 percent of the FPL;
- Parents and relative caretakers with income up to 175 percent of the FPL;
- Women up to 200 percent of the FPL who lose Medicaid eligibility 60 days post partum and are eligible for extended family planning services;
- 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;
- Aged, blind and disabled individuals;
- 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. The parent would otherwise lose RIte Care eligibility;
- 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;
- Limited benefit package for HIV-positive individuals with incomes below 200 percent of the Federal poverty level (FPL); and
- 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.

DELIVERY SYSTEM
Individuals receiving primary and acute care services under the Global Consumer Choice Compact 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. Eligible individuals must be offered a choice of at least two plans in which they may enroll. Currently, individuals have a choice of 3 plans.

The State encourages the participation of both existing managed care organizations and new entities formed by traditional providers of services or coalitions of providers, including Federally Qualified Health Centers.

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.
RHODE ISLAND GLOBAL CONSUMER CHOICE COMPACT
SECTION 1115 DEMONSTRATION FACT SHEET

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.

The pre-paid dental ambulatory health plan RIte Smiles will continue to operate under this demonstration.

Long-term care services, institutional and community-based long-term care services will be delivered through fee for service or self-direction.

Fee-for-service: Beneficiaries will be able to access long-term care services in the same way services are accessed today, through fee-for-service. Under this system, a beneficiary can choose the Medicaid participating agency or provider who will deliver the service.

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.

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.

Women up to 200 percent of FPL who would otherwise lose Medicaid eligibility at the end of the 60-day post receive family planning related services only for a maximum of 24 months.

The State also covers expenditures for window replacement for homes with children who have tested positive for lead levels above the normal limit.

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

Dental benefits for Medicaid eligible children born after May 1, 2000.

QUALITY AND EVALUATION PLAN
Rhode Island will submit its quality and evaluation plan to CMS for review and comment.
COST-SHARING

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<tr>
<th>Population</th>
<th>Premiums Per Month</th>
<th>Co-Payments</th>
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<tr>
<td>All enrollees, except those eligible for family planning only services,</td>
<td>Up to 5% of income</td>
<td>• Prescription Drugs:</td>
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<td>with incomes above 133 percent of the FPL</td>
<td>NOTE: Premiums are not charged to pregnant women and children under 1 below 185% FPL</td>
<td>• $5 Generic</td>
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<tr>
<td>Women who lose Medicaid eligibility 60 days postpartum</td>
<td>None</td>
<td>• $10 Brand-name</td>
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<td>• Non-emergent Use of the ER: $25</td>
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- Cost-sharing for BBA working disabled adults will follow the Medicaid State Plan. All unearned income over the Medically Needy Income Limit will be owed as a monthly premium.
- Cost-sharing for adults over 65 years of age with incomes below 200 percent of the FPL who need home and community based services and are a state only group, will be treated like post-eligibility treatment of income or spend down requirements.

STATE FUNDING SOURCE
The demonstration is funded with Title XIX funds.

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