



RHODE ISLAND EXECUTIVE OFFICE OF HEALTH & HUMAN SERVICES

Notice of Public Hearing and Public Review of Rules

The Secretary of the Executive Office of Health & Human Services (EOHHS) has under consideration a series of proposed new sections (as well as amendments to existing sections) of the Medicaid Code of Administrative Rules (MCAR) (“Regulations”) related to the expansion of the Medicaid Program under the provisions of health care reform statutes. (A summary of the rule changes appears below).

Under the authority granted in the federal Patient Protection and Affordable Care Act of 2010 (ACA) and applicable State law, including Executive Order 11-09, Rhode Island created its own health insurance marketplace and on-line eligibility system, previously referred to as a “health benefit exchange”, and elected to expand Medicaid eligibility to the new ACA coverage group of adults, without dependent children, who have income up to 133% of the Federal Poverty Level (FPL). On October 1, 2013 Rhode Islanders interested in obtaining health coverage under this new expansion group began applying through the health insurance marketplace (HealthSourceRI), the Department of Human Services (DHS) field offices or website, and/or the Executive Office of Health and Human Services website (EOHHS). Applicants deemed to be eligible began enrolling in one of two Medicaid health plans during the period from October 1, 2013 to December 31, 2013. Actual coverage begins on January 1, 2014.

There will be no changes in Medicaid coverage until January 1, 2014. The proposed rules seek to accomplish the following:

01. To describe the new income standard that will be used to determine access to coverage for the ACA expansion group beginning on January 1, 2014;
02. To amend existing Medicaid rules to provide for persons participating in Medicaid prior to January 1, 2014;
03. To identify the principal roles and responsibilities of the Medicaid agency and the State with respect to persons seeking eligibility for the new ACA expansion coverage group; and
04. To inform Rhode Islanders of their rights and responsibilities when seeking Medicaid eligibility as a member of the new ACA or existing coverage groups during this same period.

These regulations are being promulgated pursuant to the authority contained in Rhode Island General Laws Chapter 40-8 (Medical Assistance) as amended, including Public Law 13-144; Title XIX of the Social Security Act; Patient Protection and Affordable Care Act (ACA) of 2010 (U.S. Public Law 111-148); Health Care and Education Reconciliation Act of 2010 (U.S. Public Law 111-15); Rhode Island Executive Order 11-09; Code of Federal Regulations 42 CFR Parts 431, 435, 436 *et. seq.*; Chapter 42-35 of the Rhode Island General Laws, as amended; and Chapter 42-7.2 of the Rhode Island General Laws, as amended.

In the development of these proposed Regulations, consideration was given to the following: (1) alternative approaches; (2) overlap or duplication with other statutory and regulatory provisions; and (3) significant economic impact on small businesses in Rhode Island. No alternative approach, duplication or overlap, or impact upon small businesses were identified based upon available information.

Notice is hereby given in accordance with the provisions of Chapter 42-35 of the Rhode Island General Laws, as amended, that the Secretary will hold two Public Hearings on the above mentioned matter on **TUESDAY, 3 DECEMBER 2013** at which time and place all persons interested therein will be heard.

Hearings will be convened as follows:

Tuesday, December 3, 2013 2:00 p.m.	Tuesday, December 3, 2013 6:00 p.m.
Arnold Conference Center 111 Howard Avenue Regan Building Pastore Complex Cranston RI 02920	DaVinci Center 470 Charles Street Providence, RI 02904

For the sake of accuracy, it is requested that statements to be made relative to any aspect of the Regulations, including alternative approaches or overlap, be submitted in writing at the time of the hearing or mailed prior to the hearing date to: Steven M. Costantino, Secretary, Rhode Island Executive Office of Health & Human Services, Louis Pasteur Building, 57 Howard Avenue, Cranston, Rhode Island, 02920 or via email to the attention of: eshelov@ohhs.ri.gov.

Interested persons may inspect said Regulations and other related materials on the Rhode Island Secretary of State's website: www.sec.state.ri.us/rules, on the Executive Office of Health & Human Services' website: www.eohhs.ri.gov or at the Executive Office of Health & Human Services, 57 Howard Avenue, Cranston, Rhode Island, 02920 between the hours of 9:00 a.m. and 3:00 p.m., Monday through Friday; by calling (401) 462-1575 {via RI Relay 711} or by emailing [Eshelov@ohhs.ri.gov](mailto:eshelov@ohhs.ri.gov).

The Rhode Island Executive Office of Health & Human Services in the Louis Pasteur Building is accessible to persons with disabilities. If communication assistance (readers /interpreters /captioners) is needed, or any other accommodation to ensure equal participation, please notify the Executive Office at (401) 462-6266 (hearing/speech impaired, dial 711) at least three (3) business days prior to the Public Hearing so arrangements can be made to provide such assistance at no cost to the person requesting.



Steven M. Costantino, Secretary
Signed this 25th day of October 2013

Significant ACA-Related Changes in the Medicaid Program

The following provides a summary of the major changes in the Medicaid program authorized or mandated by the ACA and the applicable rules in this chapter:

- Consolidation and simplification of Medicaid coverage groups subject to MAGI-based eligibility determinations – MCAR section 1301.
- Elimination of Medicaid eligibility for parents/caretakers with income from 133% to 175% of the FPL – MCAR 1301.
- Expansion of Medicaid eligibility to adults, ages 19 to 64, without dependent children and establishment of a new Medicaid affordable care coverage group – MCAR section 1301.
- Streamlined application process through the automated affordable care eligibility system – MCAR 1303.
- Standardization of Medicaid eligibility requirements for MACC coverage groups – MCAR Section 1305.

- Establishment of passive renewal process for making determinations of continuing eligibility – MCAR section 1306.
- Implementation of the MAGI-based income standard – MCAR section 1307.
- Automated verification of eligibility requirements through federal and State data sources – MCAR section 1308.
- Elimination of premiums in the RItE Care managed care delivery system and redefinition of RItE Care coverage groups – MCAR section 1309.
- Enrollment of the MACC coverage group for adults without dependent children in a Rhody Health Partners managed care plans with a modified benefit package – MCAR section 1310.
- Modifications of the managed care enrollment system to complement changes in the application and eligibility determination processes – MCAR section 1311.
- Changes in the RItE Share premium assistance program to complement ACA initiatives, remove premiums, and add a buy-in requirement – MCAR section 1312.
- Extension of the Communities of Care requirement to MACC expansion group – MCAR section 1314.
- Implementation of a limited subsidy program for parents/caretakers with income from 133% to 175% of the FPL who are no longer eligible for Medicaid affordable care coverage – MCAR section 1315.

0344 Poverty Level Coverage Groups

Repealed October 2013

~~0344.05 Pregnant Women – Poverty Level~~

~~REV:10/2008~~

~~This coverage group is pregnant women in a one or two parent family whose countable income does not exceed 175% of the Federal Poverty Level (FPL) for the family size, including the unborn.~~

~~Eligibility considerations are:~~

- ~~• The pregnancy must be medically verified;~~
- ~~• Only the pregnant woman is eligible. No other family member qualifies for coverage under this provision;~~
- ~~• A deprivation characteristic (Section 0306.10.15) need not exist;~~
- ~~• There is no resource test;~~
- ~~• Countable income is determined by the MA family related treatment methodology (See Section 0334 – Determining Income Methodology);~~
- ~~• There is no spenddown. Costs incurred for medical care are not deducted from the family's income when determining eligibility for this coverage group;~~
- ~~• Once eligibility is established, the pregnant woman remains Categorically Needy until the end of the month in which the 60th post partum day occurs. Any subsequent change in income does not effect the woman's eligibility status.~~

~~If a pregnant woman is ineligible under this coverage group and there are very high medical expenses, eligibility as Medically Needy may be found under the flexible test of income policy (Section 0336). A deprivation characteristic need not exist for the pregnant woman, but there is a resource test coverage as a Medically Needy Pregnant Woman.~~

~~0344.05.05 Example of Poverty Level Eligibility~~

~~REV:10/2008~~

~~A pregnant woman, living in a family with four members, including the unborn, applies for Medical Assistance for herself. The family's countable income \$5,166.67 monthly. Since the income is within the FPL for the family size, the pregnant woman is eligible for Medical Assistance as Categorically Needy.~~

~~0344.10 Child Younger Than 6, Poverty Level~~

~~REV:11/2000~~

Draft Rule: For Public Comment

~~These coverage groups consist of children up to one (1) year of age with family countable income is less than one hundred eighty five percent (185%) of the Federal Poverty Level (FPL); and children older than one (1) year of age and younger than six (6) years of age with family countable income is less than one hundred thirty three percent (133%) of the Federal Poverty Level (FPL).~~

~~Eligibility considerations are:~~

- ~~• An eligibility factor of deprivation need not exist;~~
- ~~• There is no relationship requirement. The child may be living with a non relative caretaker or in a licensed foster care home;~~
- ~~• There is no resource test;~~
- ~~• Countable income is determined by the MA family related treatment methodology (See Section 0334 Determining Income Methodology);~~
- ~~• There is no spenddown. Costs incurred for medical care are not deducted from the family's income when determining eligibility;~~
- ~~• Once eligibility is established, the child is entitled to the full scope of services as a Categorically Needy individual, from the first of the month of application through the end of the month in which the child's first birthday occurs. If the child is hospitalized on his/her first birthday, coverage will be extended until the child is discharged from the facility.~~
- ~~• If the child is hospitalized in a hospital or long term care facility when s/he reaches age six (6), coverage is extended until the child is discharged from the facility.~~

~~If the child is ineligible under this coverage group or under a corresponding Rite Care coverage group (Section 0348) because countable income exceeds the appropriate FPL, eligibility as a Medically Needy Ribicoff child may be available based on a flexible test of income. An eligibility factor of deprivation need not exist, but the family must meet the Medically Needy resources limits.~~

~~0344.15 Child Older Than 6, Not 19~~

~~REV:11/2000~~

~~This coverage group consists of children born after September 30, 1983 who have attained six (6) years of age but have not attained nineteen (19) years of age with family countable income within one hundred percent (100%) of the Federal Poverty Level (FPL).~~

~~Eligibility considerations are:~~

- ~~• An eligibility factor of deprivation need not exist;~~
- ~~• There is no relationship requirement. The child may be living independently, with a non relative caretaker, or in a licensed foster care home;~~
- ~~• There is no resource test;~~

Draft Rule: For Public Comment

- ~~• Countable income is determined by the MA family-related treatment methodology (See Section 0334 Determining Income Methodology);~~
- ~~• There is no spenddown. Costs incurred for medical care are not deducted from the family's income when determining eligibility for this coverage group;~~
- ~~• If the child is hospitalized in a hospital or long term care facility when s/he reaches age nineteen (19), coverage is extended until the child is discharged from the facility.~~

~~If a child is ineligible for this coverage group or under a corresponding Rite Care coverage group (Section 0348) because countable income exceeds the appropriate FPL, eligibility as a Medically Needy "Ribicoff" child may be available based on a flexible test of income. An eligibility factor of deprivation need not exist, but the family must meet the Medically Needy resource limits.~~