

**STATE OF RHODE ISLAND
EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES**

**7/29/2015 PUBLIC NOTICE OF PROPOSED AMENDMENT TO RHODE ISLAND
MEDICAID STATE PLAN**

In accordance Rhode Island General Laws 42-35, notice is hereby given that the Executive Office of Health and Human Services (EOHHS) proposes to make the following amendment to the Rhode Island State Plan under Title XIX of the Social Security Act:

**Reinventing Medicaid 2015:
Increase Funding for Graduate Medical Education**

As part of Governor Gina Raimondo's effort to reform Medicaid, the Working Group to Reinvent Medicaid issued an April report that recommended numerous initiatives to achieve financial savings in State Fiscal Year (SFY) 2016. The Governor introduced those recommendations in a budget article entitled, "The Reinventing Medicaid Act of 2015." The Rhode Island General Assembly passed the Reinventing Medicaid Act in June.

As a result of the Act's passage, EOHHS is seeking federal authority to implement several changes to the Medicaid program. This state plan amendment will increase the funding pool available for graduate medical education to \$5 million (all funds). Payments to support graduate medical education are available to hospitals meeting all of the following criteria:

- (a) Hospital must have a minimum of 25,000 inpatient discharges per year for all patients regardless of coverage.
- (b) Hospital must be designated as Level I Trauma Center.
- (c) Hospital must provide graduate medical education training for at least 250 interns and residents per year.

This proposed amendment is accessible on the EOHHS website (www.eohhs.ri.gov) or available in hard copy upon request (401-462-1965 or RI Relay, dial 711). Interested persons should submit data, views, or written comments by August 30, 2015 to Darren J. McDonald, Office of Policy and Innovation, Executive Office of Health and Human Services, 57 Howard Avenue, Cranston, RI, 02920, or darren.mcdonald@ohhs.ri.gov.

In accordance with the Rhode Island General Laws 42-35-3, an oral hearing will be granted on the proposed State Plan Amendment if requested by twenty-five (25) persons, an agency, or by an association having at least twenty-five (25) members. A request for an oral hearing must be made within thirty (30) days of this notice.

The Executive Office of Health and Human Services does not discriminate against individuals based on race, color, national origin, sex, gender identity or expression, sexual orientation, religious belief, political belief, or handicap in acceptance for or provision of services or employment in its programs or activities.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Rhode Island

3. Methodology for Determining GME Payments:

- a. Each hospital eligible for a Medicaid GME supplemental payment will have its maximum hospital specific payment amount determined as follows:
 - i. the direct cost per resident multiplied by
 - ii. the hospital's Medicaid utilization percentage multiplied by
 - iii. the current number of FTE residents, which equals
 - iv. the eligible hospital's maximum allowable Medicaid GME supplemental payment.
- b. The aggregate GME supplemental amount payable by the State will be the lesser of the sum of each eligible hospital's maximum payment calculated above or the aggregate amount included in the State's enacted budget, not to exceed \$5 million (all funds). In the event the enacted budget amount is less than the aggregate maximum, the payment for each eligible hospital will be appropriately pro-rated.

4. Payments of GME:

- a. The current number of FTE residents and the Medicaid Utilization Percentage will be updated annually using data from the most recently available Medicare hospital cost report (CMS form 2552) submitted to Medicare by each eligible hospital.
- b. The State will calculate the total GME reimbursement for eligible hospitals using the methodology in section 3 above. The State will determine the annual GME amount payable to eligible hospitals prospectively for period that will begin each July 1. Payment of such amount will be made during the respective state fiscal year.