

TO: Libby Bünzli  
FROM: Michael Bailit and Justine Zayhowski  
DATE: March 22, 2019  
RE: Medicaid Managed Care Draft Policy Statements for Public Comment

Thank you for the opportunity to submit feedback on the State of Rhode Island Executive Office of Health and Human Services' (EOHHS) Medicaid managed care policy statements, as you distributed them by email on March 7, 2019. Bailit Health is providing technical assistance to EOHHS on the quality measures and methodology used in its Accountable Entity program and has been encouraged by Chantele Rotolo and Deborah Morales to share our reactions to these draft statements.

We have a few overarching thoughts on these policy statements. First, we wonder what is the role of a policy statement relative to the EOHHS and managed care organization (MCO) contracts? Second, does EOHHS have contractual authority to create new requirements of the MCOs during the contract period? Finally, these documents read as statements of intent, not policy statements, and so we wonder if they are mischaracterized if described as policy.

### **Delegation to Accountable Entities Policy Statement**

This draft policy statement notes that EOHHS anticipates that it will continue to contract with MCOs for "certain functions." This phrasing suggests to us that EOHHS will be contracting with AEs for other functions. In the following paragraph, the policy statement notes that even if traditional MCO functions are delegated to an AE(s), EOHHS is still contracting with the MCO for those functions, since EOHHS' contract is with the MCO and not the AE. We recommend clarifying this language.

The policy statement describes actions to be taken by EOHHS on the following topics 1) MCO Care Management Delegation and 2) MCO Other Functions Delegation. We have comments on EOHHS' description of both sets of actions.

Regarding the MCO Care Management Delegation language, we have the following feedback:

1. Why does EOHHS indicate that it will "begin to take steps"? If delegation will be required, EOHHS should set forth its requirements on the topic. If EOHHS has not figured out the details of its delegation plan, then we recommend discussing this with the MCOs and AEs, and then publishing details on the policy or amending the MCO contract at that time.
2. In early language of the policy statement, EOHHS says that a one-size-fits-all approach is not appropriate, but the language in this section seems to indicate an internal discrepancy.
3. NCQA historically has placed significant limitations on MCO delegation of care management. Has EOHHS considered how MCOs and AEs can address those constraints?

Regarding the MCO Other Functions Delegation language, we have the following feedback:

1. As worded, it appears EOHHS is quite involved in the relationship between the MCOs and AEs. Is EOHHS certain that there is value in doing so? We believe the MCOs and AEs could agree on delegation agreements without the involvement of EOHHS. Is this process being created because the existing MCO contract prohibits delegation of MCO functions without EOHHS approval?
2. Do policy proposals submitted to EOHHS need to be a joint MCO-AE proposal, or can individual entities bring forth proposals?
3. The language is unclear as to whether the delegation requirements, if adopted, be applied across MCOs and AEs, or on an individual MCO-AE dyad basis.

### **Member Assignment Related to Accountable Entities Policy Statement**

This draft policy notes that “EOHHS is not privy to negotiations between MCOs and AEs and these parties are free to engage in business relationships as they see fit so long as the federal and state requirements are met.” This language seems to contradict the language in the Delegation to Accountable Entities Policy Statement, which outlines delegation of MCO functions to AEs.

EOHHS indicates that beginning on July 1, 2019, if an AE terminates a provider contract with a single MCO, EOHHS will reassign Medicaid beneficiaries of the terminated MCO to the remaining MCOs with which the AE has a contract. This seems like a reasonable policy, but raises a few operational questions including the following:

1. Does EOHHS receive timely notification of provider terminations from MCOs?
2. Does EOHHS know which members have been assigned to which PCPs?
3. If the provider belongs to an AE that contracts with three MCOs, but terminates with only one MCO, how will EOHHS decide which of the remaining two MCOs will receive the new member enrollment?

### **Risk Adjustment Policy Statement**

We do not have any feedback on the content of the draft Risk Adjustment Policy Statement.

Thank you for allowing us to submit feedback on the Medicaid managed care policy statements. We are happy to further discuss any of our feedback should you find it helpful.