

August 19, 2017

The Honorable Representative Patricia A. Serpa
State of Rhode Island General Assembly
82 Smith Street, Providence, RI 02903

Dear Chairwoman Serpa:

We appreciate the House Oversight Committee's continued attention to the Unified Health Infrastructure Project (UHIP). The State has made considerable progress towards a more streamlined delivery of services and continues to work hard every day to better assist the Rhode Islanders who count on us.

In response to Representative Jason Knight's questions received on August 7, 2017, please accept the below responses and corresponding attachments.

1. **Q:** Provide the director of the Department of Human Services, Courtney E. Hawkins's curriculum vitae (CV).

A: Please find Director Hawkins' CV in the folder labeled *Question 1*.

2. **Q:** Provide details of any plans the department has for reconciling long-term care payments against actual eligibility, including determining which party will be responsible for any uncollected patient shares due to delayed eligibility determination. From testimony in committee hearings, it is understood the department has up to two years to complete the reconciliation, so please produce a timeline for developing a plan, including the parties involved in the decision-making process.

A: The Executive Office of Health and Human Services (EOHHS) is currently developing a draft contingency payment reconciliation procedure to align with the state's efforts to reduce the long-term services and supports application backlog. EOHHS intends to finalize the procedure, after receiving input from providers, no later than October 30, 2017. The overall goals of the exercise will be to ensure proper claims payments to providers, and to recoup any over-payments rendered while claims were suspended. Many contingency payments to nursing homes included an estimated calculation of patient share. The procedure being developed by EOHHS may include an effort on the part of providers to collect outstanding patient shares that are identified through the reconciliation process. However, should this aspect be incorporated into the overall procedure, it is likely that EOHHS will also include an exceptions process should that become necessary in some instances. In consultation and coordination with providers, the Medicaid Program Director and the Secretary of the Executive Office of Health and Human Services will manage and oversee this work.

3. **Q:** Provide background information on the requirements for reconciliation including a list of all state and federal regulations on this matter and copies and/or electronic access to the regulations.

A: Recognizing financial strain on our provider partners due to eligibility delays, the state established an interim payment process in accordance with R. I. Gen. Laws §40-8-6.1 earlier this year. (Attached in the folder labeled *Question 3*, please find the May 15, 2017 letter from Director Tigie, and the March 22, 2017 letter from Secretary Beane outlining this process.) As stated above, the State is drafting a procedure for reconciliation that will align with this process. Additionally, the EOHHS Medicaid Division is in regular communication with CMS regarding developing strategies to address the eligibility backlog and payment reconciliation processes, and the reconciliation procedure will be developed and implemented in parallel with these efforts.

4. **Q:** Please provide the number and total amount of payments made on Medicaid long term care applications without an eligibility determination by month starting January 1, 2017.

A: To address financial strain due to the UHIP system implementation, the State has made 438 contingency payments (totaling \$62,782,031.78) to Nursing Homes, Assisted Living and Hospice providers since September 2016. Most of these payments were made through the interim payment process established in accordance with R. I. Gen. Laws §40-8-6.1 to provide payment during the pendency of an application. Beginning in June, a small number of these payments were made to address delays in payment authorization caused by system transaction issues. For example, when an eligible nursing home client entered a hospital and then returned to a nursing home, transaction processing delays may have impacted payments. Where this occurred, and a contingency payment was requested by a provider, the State made a payment. The State has also made contingency payments to home care providers for Fee for Service claims for which a prior authorization and/or eligibility determination had not migrated into the MMIS payment system. These payments were made upon request in March and June, totaling \$424,994.67. Details on contingency payments are accounted for in the attached folder labeled *Question 4*.

5. **Q:** Provide a detailed organizational chart, with all DHS employees working on full time on fixing the UHIP computer issues highlighted.

A: DHS does not currently have any staff working solely to stabilize UHIP as that work is integrated throughout all of the department's functions. There are, however, seven individuals from other departments assisting with fixing and improving the system. They are listed below.

1. Celia Blue is the Chief of Staff at the Department of Transportation and is assisting with the management of DHS.
2. Andrew Braca is a Senior Management and Methods Analyst at the Office of Management and Budget and is assisting with data analysis for UHIP and DHS.

3. Deborah Castellano is a Chief Case Work Supervisor at DCYF and is assisting with management of the Long Term Services and Supports unit at DHS.
4. Lisa Martinelli is an Executive Counsel at DOT and is assisting with legal work and labor relations related to UHIP.
5. John Raymond is a Supervising Budget Analyst at OMB who is currently serving as the Chief Financial Officer for UHIP.
6. Marti Rosenberg is the Project Director for the State Innovation Model Test Grant, and is currently assisting part time with stakeholder engagement and outreach.
7. Mia Patriarca, of the Physical Activity and Nutrition Program at the Department of Health (DOH), is currently assisting part time with the stakeholder engagement team.

DHS is in the process of refreshing and updating organizational charts that include its more than 900-staff department. These organizational charts will illustrate the structure of the department and the relationships and relative ranks of its programs and positions. In recent years, organizational charts have not been kept up-to-date for the department. When these charts are complete, we will be happy to provide them to the Committee.

6. **Q:** Please provide a list of all new hires since January 1, 2017 at the EOHHS and DHS including job descriptions. Please list all new hires, including executive and administrative positions.

A: In the folder labeled *Question 6*, please find a list of all EOHHS and DHS new hires since January 1, 2017 and their related job descriptions.

7. **Q:** Provide copies of any correspondence between HHS and EOHHS and the federal government regarding the UHIP issue since January 1, 2017.

A: We have worked diligently to collect and organize all the correspondence between DHS and EOHHS and the federal government. This work will not be complete as of the submission of this letter, however, we will continue to compile this information and plan to share it with the Committee as a follow up no later than Thursday.

8. **Q:** Please describe your efforts to reduce or mitigate the fine imposed by FNS.

A: On July 25, 2017, the State forwarded a letter to the Northeastern Regional Office, FNS, requesting a discretionary reduction of the \$805,197 recoupment to \$150,000. Please find this letter in the folder labeled *Question 8*. FNS has verbally acknowledged receipt of the State's letter and has stated that it is under consideration.

9. **Q:** If your plans for reduction or mitigation include the hiring of any contractor, please specify which contractor you are considering and provide a complete roster of that contractor's executive staff, owners and/or principles, and/or corporate officers.

A: FNS has preliminarily agreed to permit the State to reinvest the recoupment amount

into Business Process Redesign by a qualified contractor that can provide the expertise and services needed to improve the effectiveness and efficiency of the delivery of DHS benefit programs. A competitive Request for Proposal, Bid #7554558, was posted on July 24, 2017. Attached in the folder labeled *Question 9*, are copies of the bid documents listed under the above-referenced bid number. The details of this bid can also be found on the Rhode Island Division of Purchasing website at <http://bit.ly/2wo2yzV>. Once a vendor has been selected and contracted with, we will share the winning bidder's information with the Committee.

Thank you for the opportunity to share further details related to our UHIP efforts. If you or the Committee have any further questions regarding UHIP or any other matter, please do not hesitate to reach out to me directly.

Sincerely,



Zachary W. Sherman
Director
HealthSource RI

CC: Honorable Members of House Committee on Oversight
Eric Beane, Secretary, Executive Office of Health and Human Services

Enclosures: 6