

Governor's FY 2022 Budget: Articles

Staff Presentation to the House Finance Committee
April 15, 2021

Introduction

H – 6122	Article 15	Healthcare Reform
	Sec. 1-7	Interstate Medical Licensure Compact
	Sec. 8	Health Spending Transparency & Containment Act
	Sec. 9 & 10	Rite Share
2021 – H 5448 – Medicaid Employer Assessment		
2021 – H 6032 – Telemedicine Coverage Act - Medicaid and commercial insurance		

Article 15, Sec. 1-7 – Interstate Medical Licensing

- Center for Professional Boards and Licensing is a unit within Department of Health
 - Licenses, certifies and disciplines healthcare professionals
 - Investigates complaints
 - Identifies professional standards to ensure highest quality health care for and protection of the public

Article 15 – Sec. 1-7 – Interstate Medical Licensing

- Department of Health has 110K health professional licenses issued

Profession	Licenses	%of total
Nursing	31,194	28.4%
Nursing Assistant	17,270	15.7%
Physicians	11,679	10.6%
Cosmetology/Barbering	11,365	10.3%
EMS Personnel	6,500	5.9%
Pharmacy	5,971	5.4%
Other	26,021	23.7%
Total	110,000	100%

Article 15, Sec. 1-7 – Interstate Medical Licensing

- Article requires Rhode Island to join four interstate compacts for
 - Physicians
 - Psychologists
 - Physical therapists
 - Emergency medical services professionals
 - Technicians, advanced technicians & paramedics

Article 15, Sec. 1-7 – Interstate Medical Licensing

- Affected professions and license volume

Article 15	Professions	Licenses
Sec. 1	Physicians	11,679
Sec. 2-4	Nurses	31,194
Sec. 5	Psychologists	1,044
Sec. 6	Physical Therapists	2,339
Sec. 7	EMS Personnel	6,500
	Total	52,756

Article 15, Sec. 1-7 – Interstate Medical Licensure

- Compact agreements
 - Health care professionals can practice in other compact member states
 - Streamlined process
 - Strengthen access to health care
 - Increase job employment opportunities
 - Coordinated licensure information system
- States opt in by adopting legislation
 - Required to repeal legislation to withdraw

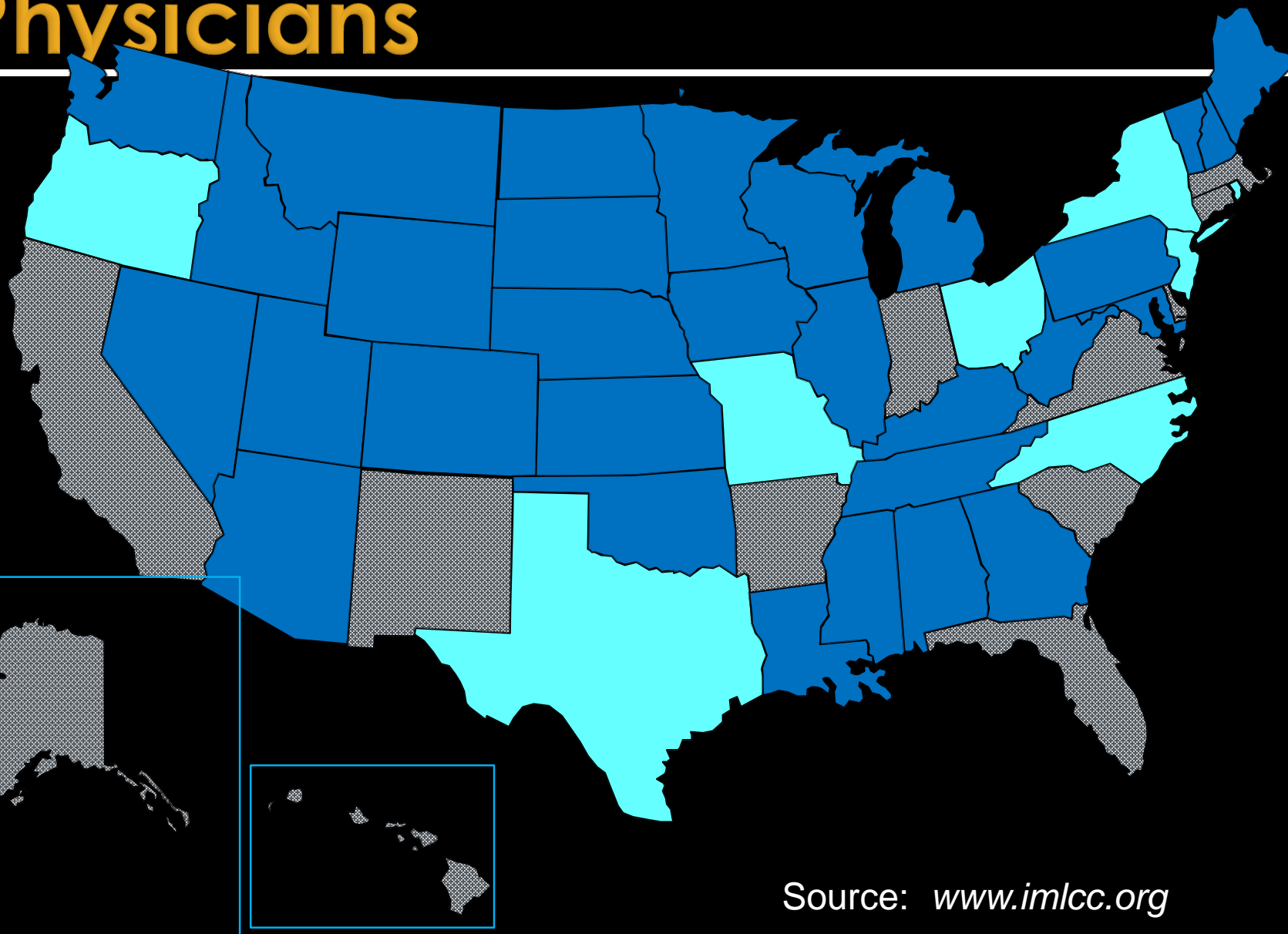
Article 15, Sec. 1-7 – Interstate Medical Licensing

- Section 1 – Physicians
 - Interstate Medical Licensure Compact Commission – administrative body
 - 2 representatives from each state that adopted legislation
 - Authority to promulgate rules/regulations to operate
 - Commission may levy and collect annual assessments from each member state

Article 15, Sec. 1-7 – Interstate Medical Licensing

- Section 1 – Physicians
 - Language of compact must be identical in each state
 - 7 states minimum required for compact to operate
 - Currently 28 member states
 - Compact began issuing licenses in April 2017

Interstate Medical Licensing – Physicians



Source: www.imlcc.org

Article 15, Sec. 1-7 – Interstate Medical Licensing

- Sections 2-4 – Nurses
 - Current nursing compact was established in 2000
 - 2007 Assembly adopted legislation authorizing Rhode Island to join
 - May 2015, National Council of State Boards of Nursing adopted 2 new compacts
 - Enhanced Registered Nurse Compact
 - Advanced Practice Registered Nurses Compact

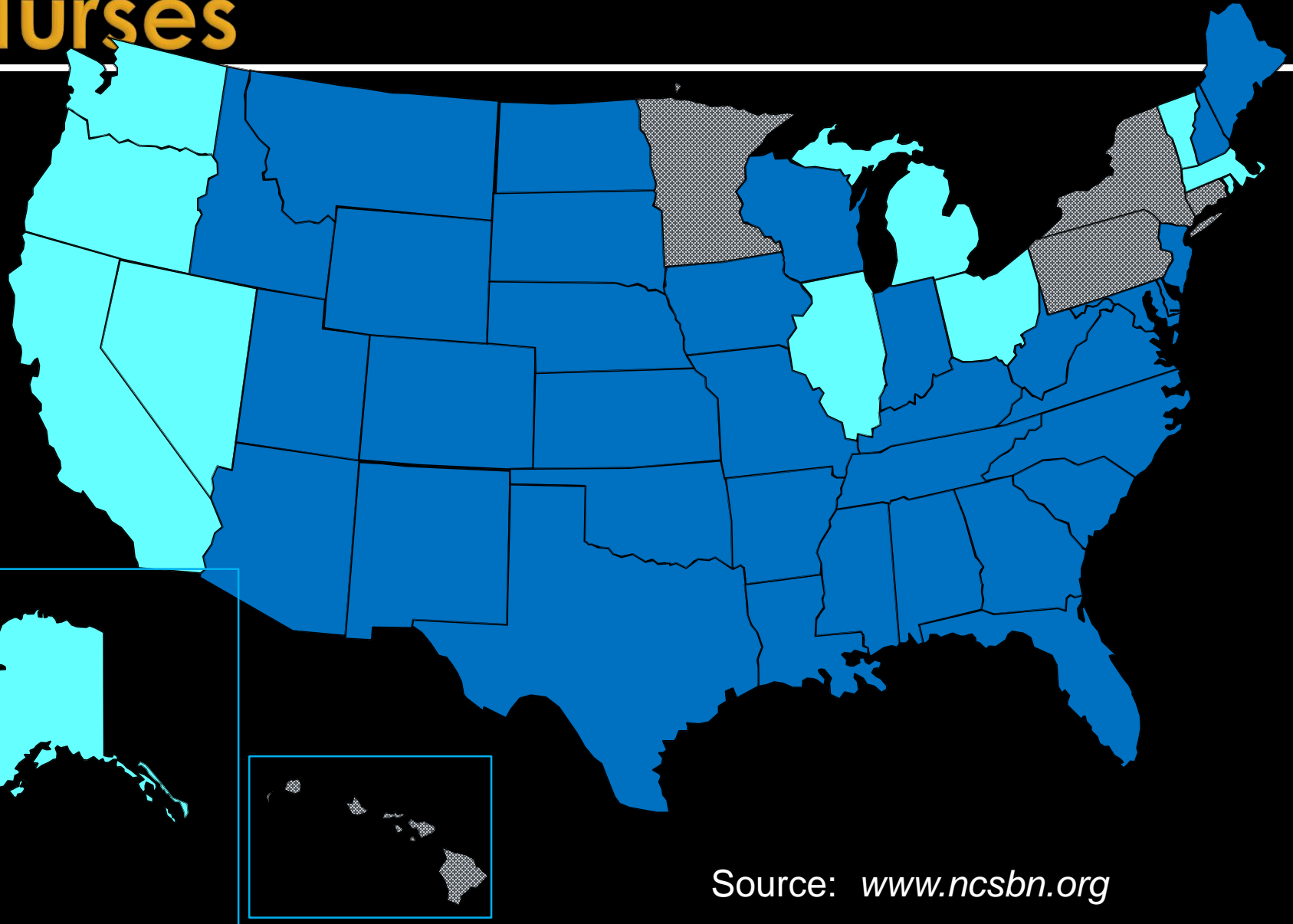
Article 15, Sec. 1-7 – Interstate Medical Licensing

- Sections 2-4 – Nurses
 - Original compact dissolved in July 2018
- Article 15 includes updated legislation
 - Must be adopted for RI to join
 - Enhanced Registered Nurse Compact
 - Required criminal background check
 - Restriction from acquiring a multistate license if ever convicted of a felony
 - Standards for initial, endorsement, renewal, and reinstatement licensure

Article 15, Sec. 1-7 – Interstate Medical Licensing

- Sections 2-4 – Nurses
 - 34 member states
 - Allow nurses possessing a compact license to practice in any other member states
 - When states become members, state boards reach out to registered nurses
 - Multistate license privilege applies
 - Registered nurse
 - Licensed practical nurse

Interstate Medical Licensing – Nurses



Source: www.ncsbn.org

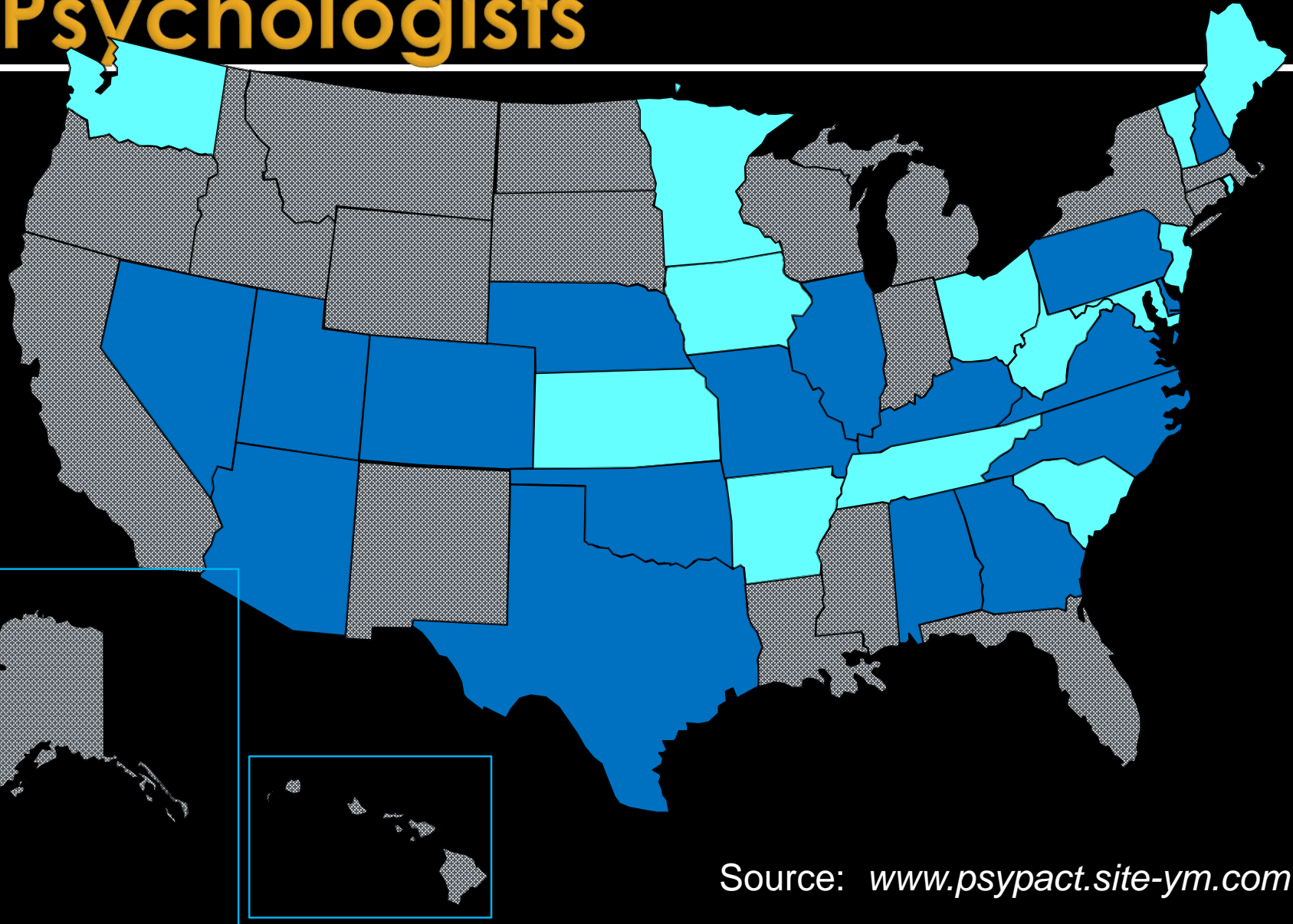
Article 15, Sec. 1-7 – Interstate Medical Licensing

- Section 5 – Psychologists
 - Psychology Interjurisdictional Compact Commission
 - Administrative body
 - One member of each adopted state
 - Designed to facilitate practice of
 - Telepsychology
 - Using telecommunication technologies
 - Temporary in-person, face-to-face practice of psychology across state boundaries
 - Temporary - 30 days within calendar year

Article 15, Sec. 1-7 – Interstate Medical Licensing

- Section 5 – Psychologists
 - Requires 7 states minimum
 - Authorizes commission to levy & collect assessment from each compact state or
 - Impose fees on other parties to cover cost of operations
 - 15 states have adopted legislation
 - Became operational in April 2019
 - Started processing applications in July 2020

Interstate Medical Licensing – Psychologists



Source: www.psypact.site-ym.com

Article 15, Sec. 1-7 – Interstate Medical Licensing

- Section 6 – Physical Therapists
 - Article is designed to
 - Increase public access to physical therapy services
 - Enhance states' ability to protect public's health and safety
 - Encourage cooperation of member states in regulating multistate practice

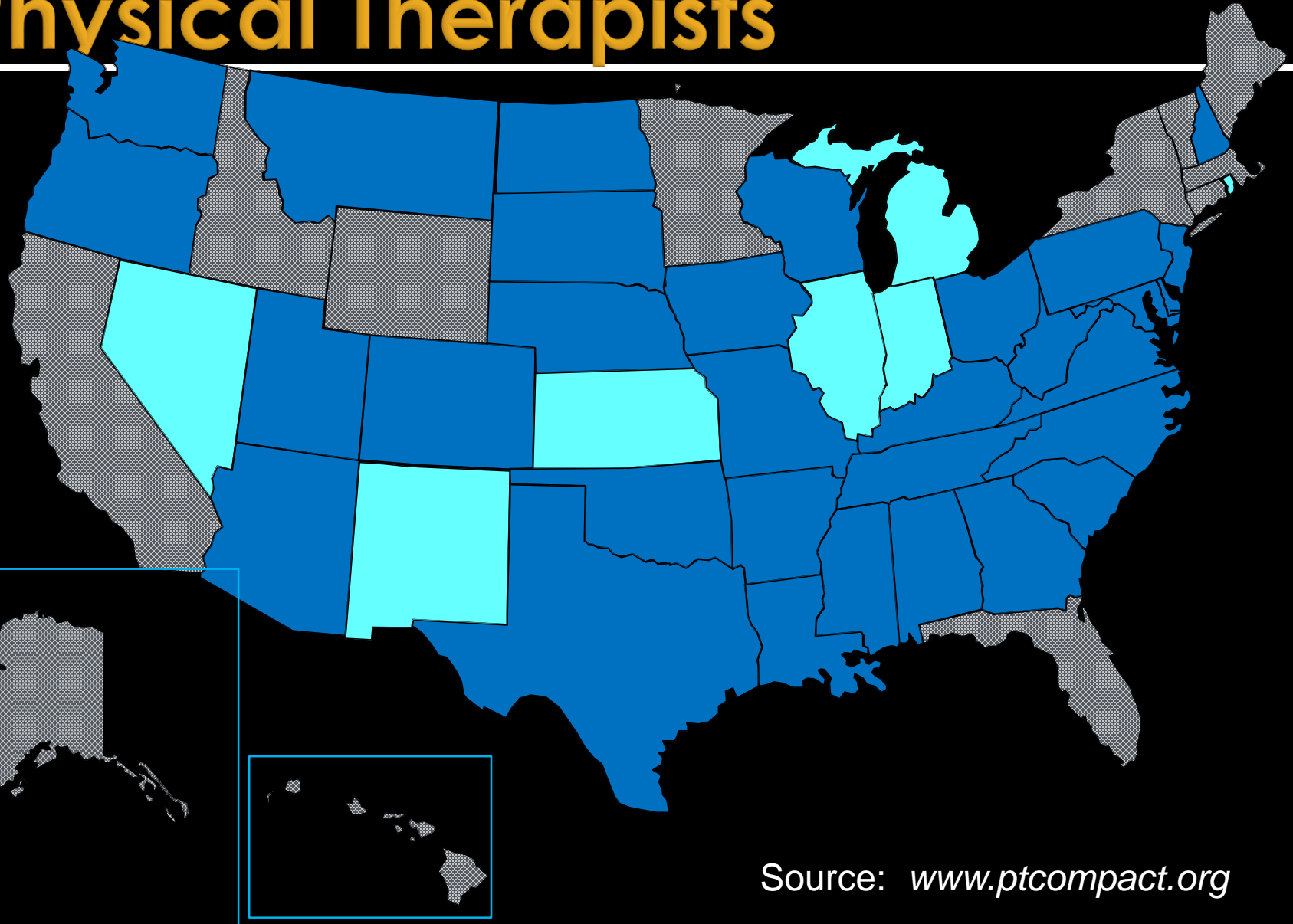
Article 15, Sec. 1-7 – Interstate Medical Licensing

- Section 6 – Physical Therapists
 - To be eligible
 - Individual must hold an active physical therapist license in his/her home state
 - No disciplinary action for at least 2 years
 - Applicant's home state must be a member of compact & places applying to must be a member

Article 15, Sec. 1-7 – Interstate Medical Licensing

- Section 6 – Physical Therapists
 - Legislation authorizes commission to levy & collect an annual assessment from each compact state for operations
 - 10 states minimum required
 - Physical Therapist Licensure Compact Commission – administrative body
 - One member from each adopted state
 - 29 states have adopted legislation

Interstate Medical Licensing – Physical Therapists



Source: www.ptcompact.org

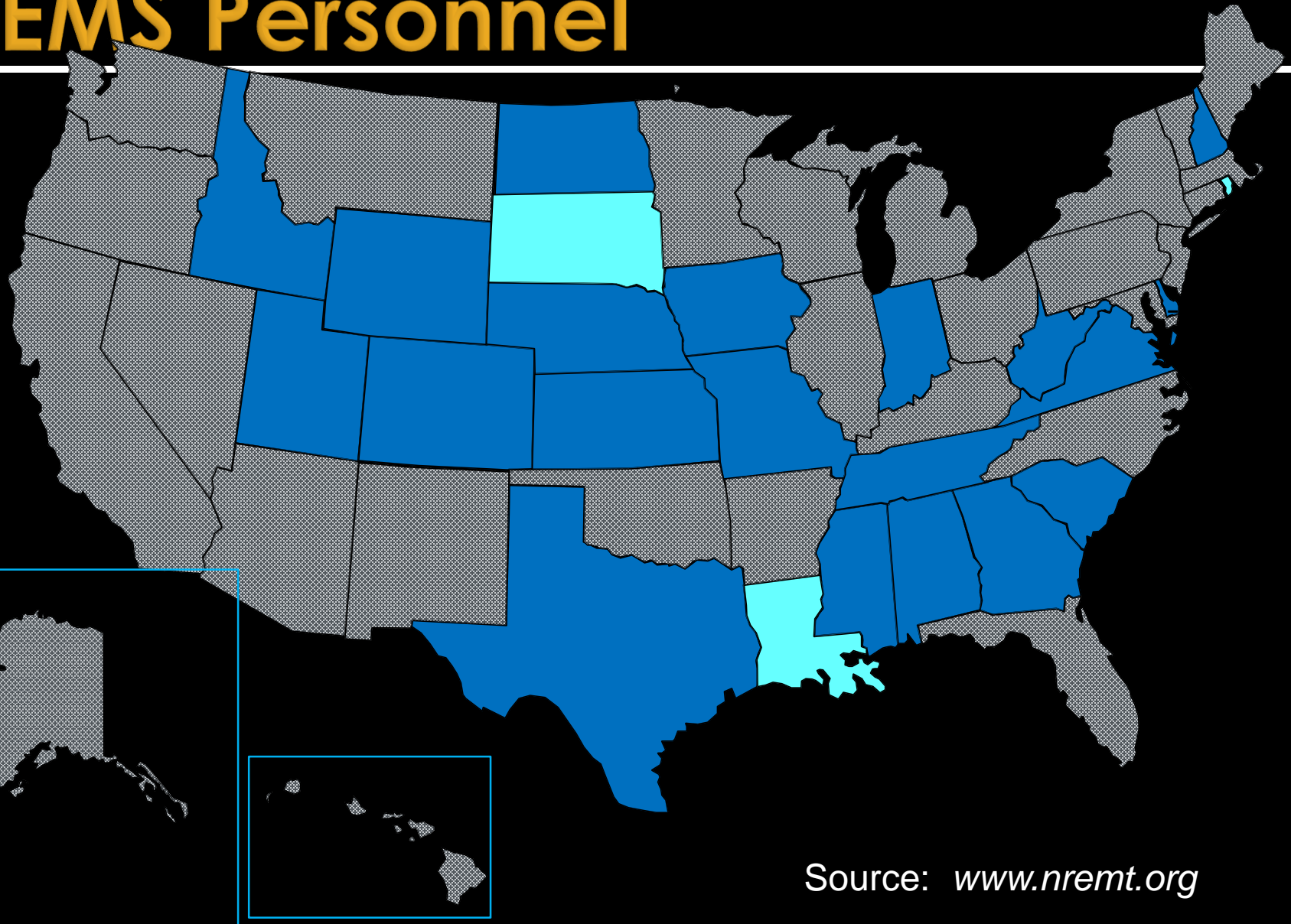
Article 15, Sec. 1-7 – Interstate Medical Licensing

- Section 7 – EMS Personnel
 - Intended to “facilitate day-to-day movement of EMS personnel across state boundaries...”
 - Day-to-day includes, but not limited to
 - Large unplanned events
 - Large planned events - concerts or races
 - Must be licensed
 - Emergency medical technician (EMT)
 - Advanced EMT
 - Paramedic

Article 15, Sec. 1-7 – Interstate Medical Licensing

- Section 7 – EMS Personnel
 - Article requires member states to expedite licensure applications of veterans, active military service members, & members of National Guard & Reserves
 - 10 states minimum required
 - Interstate Commission for EMS Personnel Licensure – administrative body
 - One member of each adopted state
 - 18 member states

Interstate Medical Licensing – EMS Personnel



Source: www.nremt.org

Article 15, Sec. 1-7 – Interstate Medical Licensing

- Budget assumes revenue loss of \$60K for FY 2022
 - Last quarter of fiscal year
- Annualizes to \$0.2 million

Profession	FY 2022	FY 2023
Nurses	\$(58,389)	\$(236,513)
Psychologists	(176)	(618)
EMS Personnel	(354)	(195)
Total	\$(58,919)	\$(237,326)

Art. 15, Sec. 8 – Health Spending Transparency & Containment

- RI Health Care Cost Trend Project
 - Non-profit Peterson Center on Healthcare
 - \$1.3 million through Brown University – ends 8/21
 - RI Cost Trend Steering Committee
 - Collaboration of OHIC, EOHHS, private stakeholders
 - Target a per capita spending growth rate
 - Executive Order 19-03 set the target for 2019 through 2022 at 3.2%

Art. 15, Sec. 8 – Health Spending Transparency & Containment

- Article creates assessment up to \$1 per “contribution enrollee” on entities providing health insurance
 - Contribution enrollee is a covered life
 - Excludes Medicare, local government employers, & non-profit dental
 - Includes state employer plan & Medicaid
 - Governor includes \$0.3 million in Medicaid program for the impact on the managed care plans
 - Uses the same base as immunization assessment
 - For enrollees as of prior December 31

Art. 15, Sec. 8 – Health Spending Transparency & Containment

- Secretary of EOHHS would set assessed amount 7 days after passage of article
 - Due Sept. 1, 2021 & annually thereafter
 - Annual amount based on anticipated spending
 - FY 2022 assumes \$0.5 million in revenues
 - Annualizes to \$0.6 million for FY 2023
 - Creates restricted receipt account
 - To be spent in coordination with OHIC
 - Budgets maximum amount assessed
 - Analytical work to support the Health Care Cost Trend Project

Art. 15, Sec. 8 – Health Spending Transparency & Containment

- Article establishes requirements to
 - Use data to determine causes of spending increases & create actionable analysis
 - Maintain growth target & compare actual performance
 - Target compliance is voluntary
 - Report policy recommendations annually
 - Open meetings required for input and comment prior to recommendations
- Program & assessment sunset July 1, 2026

Art. 15, Sec. 8 – Health Spending Transparency & Containment

Components		Estimate
Expected growth in national labor force productivity		1.40%
Expected growth in the state civilian labor force	+	0.00%
Expected national inflation	+	2.00%
Nominal potential gross state product		= 3.40%
Expected state population growth	-	0.20%
Potential per capita gross state product for Rhode Island		= 3.20%

Article 15, Sec. 9 & 10 – Rite Share

- State provides for cost sharing with employers who have employees who are eligible for Medicaid
 - Either through Rite Care or Expansion
 - Have access to qualified private insurance
 - State pays employees' premium & cost sharing requirements
 - Either send a check to the employee or an employer if participating in the program

Article 15, Sec. 9 & 10 – Rite Share

- State law requires employees to enroll in their employers' insurance in order to access Medicaid benefits
 - When the cost to the state is less
 - Full Medicaid benefit vs. paying for employee costs & “wrap around” benefit to employer plan
 - When someone applies or is recertified for Medicaid eligibility - the question of access to employer insurance is asked
 - Via RI Bridges system (UHIP)

Article 15, Sec. 9 & 10 – Rlte Share

Recent Experience

Pre-UHIP	8,400 individuals in the program
May 2020 CEC	3,200 individuals in the program
FY 2020 Governor's Budget	Assessment to large for-profit employers (300+) w/employees receiving Rlte Care = 10% of wages for each employee on Medicaid the entire quarter -\$1,500 max/yr. H 5448 – same proposal
FY 2020 Enacted Budget	No assessment but new outreach and reporting requirements to enhance Rlte Share enrollment

Article 15, Sec. 9 & 10 – Rite Share

- Rite Share Reporting
 - 2019 Assembly added information to be included in the monthly Medicaid report
 - # of individuals with access to ESI
 - # of plans that meet the cost effectiveness criteria
 - Rite Share enrollment
 - Current EOHHS monthly reports
 - Does not include the information for access to ESI

Article 15, Sec. 9 & 10 – Rite Share

Enrollment	Rite Share	Rite Care
FY 2017*	7,078	151,410
FY 2018*	5,585	158,661
FY 2019*	4,167	157,630
FY 2020	3,053	149,178
July – Nov 2021 (avg.)	2,651	155,132
December 2021	2,673	159,486
January 2021	2,691	160,427
February 2021	2,721	161,568
March 2021	2,735	161,798

**Updated information from data previously reported by EOHHS*

Article 15, Sec. 9 & 10 – Rite Share

Recent Experience

FY 2021 Gov.

Governor proposes new reporting requirements for employers (for-profit 50+) regarding employees and their enrollment status in employer sponsored insurance (ESI)
Penalties for non-compliance

FY 2021 Enacted

No change adopted

Nov 2021 CEC

2,500 individuals in the program

FY 2022 Gov. Rec.

Governor proposes same changes as FY 2021 in Article 15

Article 15, Sec. 9 & 10 – Rite Share

- Governor recommends savings of \$2.7 million from all sources of funds
 - \$0.9 million from general revenues
 - Start date of January 1, 2022
 - Annualized saving of \$5.4 million
 - Assumes moving 5,410 individuals to Rite Share
 - Annual savings of \$1,000 per person

Rite Share Program

- Savings from lower cost than full Medicaid

Program	March 2021	FY 2022 Gov. Rec.	
	Enrollment	Enrollment	Cost Per Enrollee
Rite Care*	161,798	149,058	\$3,550
Expansion	94,906	84,508	\$7,348
Rite Share	2,652	8,062	\$771

**Children & parents excluding children in foster care & w/special health care needs*

Article 15, Sec. 9 & 10 – Rite Share

If Individual has Access to Employer Sponsored Insurance (ESI)

Current Law

Coverage reported through RI Bridges when applying for Medicaid

EOHHS' Rite Share Unit receives the information to decide if coverage is acceptable

If acceptable, state pays employee costs

Section 9/10 Article 15

Employer with at least 50 employees, excluding non-profits, has new requirements. EOHHS required to send info to Div. of Taxation

Penalties if do not comply

- Timely manner - \$2,500
- Non-compliance or provide false info. - \$5,000
- New revenue of \$0.2 million

Article 15, Sec. 9 & 10 – Rite Share

Employers: For-profit 50+ workers

Report Quarterly: Employees enrolled or not enrolled in employer sponsored insurance (ESI) and who is no longer employed

Let EOHHS know when a new employee is offered insurance during open enrollment

Participate in EOHHS' employer education outreach campaign & cannot offer incentives to turn down ESI

Article 15, Sec. 9 & 10 – Rite Share

- FY 2022 Budget assumes savings of \$2.7 million from shifting enrollment
 - \$0.9 million from general revenues
 - Assumes enrollment grows by 5,400 to 8,000
 - About 3,800 in the Rite Care program
 - About 1,600 in the expansion program
 - Effective July 1 - savings assume six months of full enrollment target
- Implementation - \$700k in EOHHS
 - GBA to add \$0.1 million + 1 FTE for DOR

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