

Social and Human Service Programs Review Hearing

**Prepared for:
Senate Finance Committee
Senate Health and Human Services Committee**

January 30, 2024

**RHODE
ISLAND**

Agenda

- Introductions
- Project Background and Process
- Finance Reports
- Programmatic Reports
- OHIC Final Report and Recommendations

Introductions



Project Background and Process

Project Background



Legislative Charge

- The Office of the Health Insurance Commissioner (OHIC) has been charged with conducting a comprehensive review of all "social and human service programs" having a contract with or licensed by the state as required by State of Rhode Island General Laws (RIGL) 42-14.5-3(t).
- Subject areas specified in RIGL § 42-14.5-2.1(5):
 - Social
 - Mental health
 - Developmental disability
 - Child welfare
 - Juvenile justice
 - Prevention services
 - Habilitative
 - Rehabilitative
 - Substance use disorder treatment
 - Residential care
 - Adult or adolescent day services
 - Vocational
 - Employment and training
 - Aging

Key Deliverables

Finance

- Task 1:** Social and human service program rates
- Task 3:** Utilization trends from 1/1/17 to 12/31/21
- Task 8:** National and regional Medicaid rates in comparison to Rhode Island social and human service provider rates
- Task 9:** Usual and customary rates paid by private pay for similar social and human service providers

Programmatic

- Task 2:** Eligibility standards and processes of social and human service programs
- Task 4:** Structure of state government as it relates to the provision of services by social and human service providers including eligibility and functions of the provider network
- Task 5:** Accountability standards for services for all social and human service programs
- Task 6:** Professional licensed and unlicensed personnel requirements for established rates for social and human service programs pursuant to a contract or established fee
- Task 7:** Access to social and human service programs, to include waitlists and length of time on waitlists in each service

Task 10: Assessment and review process that results in recommended rate adjustments

Project Timeline



	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Project Management & Key Dates								
Task 0: Kickoff Meeting, determination of services, and ongoing project management								
Finance Workstream								
Key informant interviews								
Task 1: Social and human service program rates	Phase 1							
Task 3: Utilization trends 1/1/17 - 12/31/21	Phase 1							
Task 8: National and regional Medicaid rates in comparison to Rhode Island social and human service provider rates	Phase 1							
Task 9: Usual and customary rates paid by private insurers and private pay for social and human service providers	Phase 1							
IRM: Ground-up approach of modeling the expenses expected to be incurred from delivering the service	Phase 1							
Programmatic Workstream								
Key informant interviews								
Task 2: Eligibility standards and processes of social and human service programs	Phase 1							
Task 4: Structure of state government as it relates to the provision of services by social and human service providers including eligibility and functions of the provider network	Phase 1							
Task 5: Accountability standards for services for all social and human service programs	Phase 1							
Task 6: Professional licensed and unlicensed personnel requirements for established rates for social and human service programs pursuant to a contract or established fee schedule	Phase 1							
Task 7: Access to social and human service programs, to include wait lists and length of time on wait lists in each service category	Phase 1							
Assessment and Review								
Task 10: Assessment and review process that is completed on a biennial basis								
Public Meeting Support								
Public Meeting Support								

Stakeholder Engagement

Advisory Council Meetings and Interview

Gathering input from the advisory council meetings helped inform the project.

Each Advisory Council member was interviewed to gather input. Some topics for discussion included top priorities, defining project success, areas of concern, etc.

Interagency Workgroup

Discussions were held with the interagency workgroup to help gather information and inform the process. Designated points of contact were provided from:

- EOHHS
- DOH
- VETS
- BHDDH
- DHS
- DCYF
- OHA

Provider Surveys and Focus Groups

Provider input was solicited in the form of provider surveys and provider focus groups for certain services.

A public forum was held following the release of the final reports and rate recommendations to provide the general public, providers, recipients, and other interested parties an opportunity to provide comment and ask questions.

Finance Reports

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Task 1

Social and human service program rates

- Report established the in-scope services of the rate review.
- Services in-scope represent **approximately \$530 million** in Medicaid Management Information System (MMIS) fee-for-service expenditures (illustrated in the table below) and **approximately \$231 million** in Medicaid managed care expenditures in State Fiscal Year (SFY) 2022. Other social programs such as Tobacco Quit Line, Vocational Rehabilitation, and Child Welfare represent **approximately \$127 million** in SFY 2022.
- Analysis included review and aggregation of **multiple data sources** and **forms of stakeholder feedback**.

STATE FISCAL YEAR 2022 MMIS FEE-FOR-SERVICE (FFS) EXPENDITURES

MAJOR SERVICE CATEGORY	FFS EXPENDITURES (\$Millions)
Intellectual and Developmental Disability Services	315.5
Nursing Home and Hospice	324.9
Home and Community Based Services	124.9
Hospital	66.3
Behavioral Health Providers	45.7
Children's Services	43.9
Physician / Advanced Practice Providers	8.0
Other	48.9
Total	978.0
Total for I/DD, HCBS, BH Providers, and Children's Services	530.0

Notes:

1. See report for full methodology notes and analysis limitations.

Primary Data Sources

- Medicaid fee schedule
- State agency data request
- MMIS claims and encounters

Stakeholder Discussion

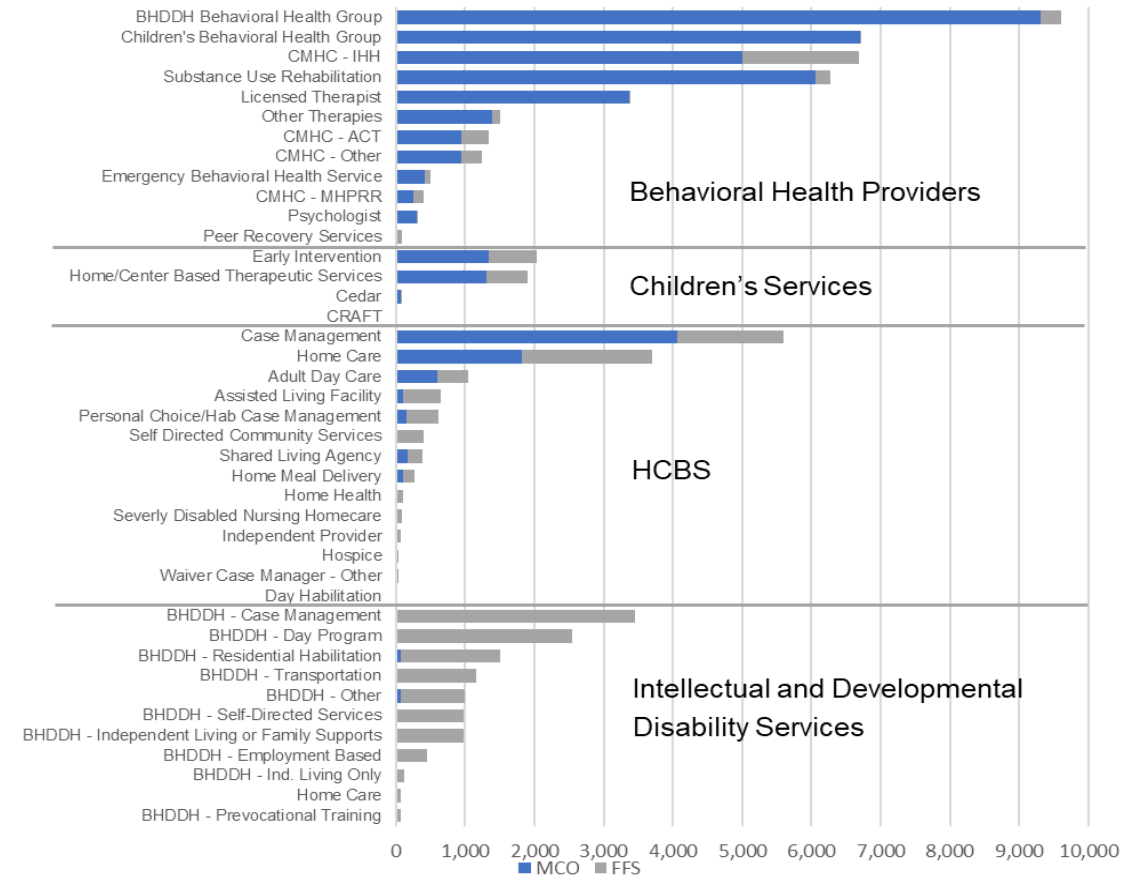
- Advisory Council meetings and member interviews
- Interagency Workgroup
- Phase One Feedback

Task 3

Utilization trends from 1/1/17 to 12/31/21

- Report contains average unique monthly utilizer and expenditure metrics for in-scope services on the MMIS fee schedule.
- The report provides these metrics at various levels of granularity including major service category, service category detail, and procedure code / modifier.
- Values are reported separately for the fee-for-service (FFS) and managed care organization (MCO) delivery systems. The primary delivery system varies by service.
- Compiled data and reviewed service utilization trends between SFY 2017 and SFY 2022.

SFY 2022 AVERAGE UNIQUE MONTHLY UTILIZERS BY SERVICE CATEGORY



Notes:

1. Self-directed services provided by the MCOs are not submitted as encounters and therefore MCO utilizers are not represented in the figure.
2. See report for full methodology notes and analysis limitations.

Task 3

Non-MMIS Services

ANNUAL SOCIAL AND HUMAN SERVICE PROGRAM EXPENDITURES BY AGENCY (\$MILLION)

Agency	SFY 2017	SFY 2018	SFY 2019	SFY 2020	SFY 2021	SFY 2022
DHS	\$ 7.5	\$ 6.1	\$ 70.5	\$ 70.3	\$ 57.4	\$ 57.8
Vocational rehabilitation	7.5	6.1	3.5	3.0	2.1	3.2
Child care	N/A	N/A	67.0	67.2	55.3	54.6
DOH	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1
Tobacco quit line	0.1	0.1	0.1	0.1	0.1	0.1
Lead services	N/A	N/A	0.0	0.0	0.0	0.0
DCYF	\$ 33.0	\$ 44.5	\$ 49.2	\$ 58.4	\$ 67.1	\$ 68.7
Home and community-based	13.5	18.1	21.5	23.0	21.9	16.8
Foster care	0.0	0.0	0.0	0.0	7.6	6.5
Residential care	19.3	25.5	25.2	30.6	25.8	29.2
Residential care: out-of-state	0.2	1.0	2.6	4.8	11.8	16.3
OHA	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.4
CareBreaks	0.3	0.3	0.3	0.3	0.3	0.4
TOTAL	\$ 40.9	\$ 50.9	\$ 120.1	\$ 129.0	\$ 124.9	\$ 127.0

Notes:

1. Data for certain services was not available in historical years, or program changes prohibited reporting of the information.
2. Lead services expenditures are less than \$20,000 per year.
3. See report for full methodology notes and analysis limitations.

- Report contains **utilization metrics for non-MMIS services** provided by the Department of Human Services (DHS), Department of Health (DOH), Department of Children, Youth, and Families (DCYF), and Office of Healthy Aging (OHA).
- **Child welfare services provided by DCYF and child care reimbursed by DHS represent over 95%** of identified social and human service program expenditures paid outside the MMIS.
- The **reimbursement rate setting varies** for non-MMIS social and human service programs, including methods such as market surveys, rate benchmarking analysis, vendor negotiation, and procurement.

Task 8 and Task 9

Fee Schedule Benchmarking

Service Delivery

- Service requirements
 - Provider/staff credentials
 - Staffing ratios
 - Evidence-based practices
- Delivery system
 - Provider administrative and oversight requirements
 - Services covered/not covered

Reimbursement Structure

- Billable units
 - Different billable unit type (visits/15 minutes)
 - Different maximum billable units
- Rates with tiered reimbursement based on:
 - Provider credentialing
 - Client acuity
 - Staff ratios
- Bundled services
- Alternative payment model

Task 8



Medicaid Rate Comparisons

- The Task 8 report compared select Rhode Island reimbursement rates for social and human services to rates of other **New England states**.
- Evaluated **Behavioral Health, Early Intervention, and Homecare Services** codes and available modifiers and enhancements for comparison. Identified **numerous variances in the use of modifiers, rate enhancements, and billing units** which limited available comparisons.
- Applied calculated adjustments where necessary to attempt to **control for variances** in rates across states for billed units, provider credentials, and covered services/codes. Even after rates are adjusted for variation, **OHIC observed significant differences when comparing rates across states**.
 - Behavioral health comparator rates ranged between 36% and 157% of the Rhode Island Medicaid rate.
 - Early intervention comparator rates ranged between 101% and 207% of the Rhode Island Medicaid rate.
 - Homecare comparator rates ranged between 49% and 134% of the Rhode Island Medicaid rate.
 - Approximately 50% of benchmarks across all categories were more than 20% above or below the Rhode Island Medicaid rate.
- These differences may be due to a number of factors including underlying cost and wage variances across geographies, regulatory complexity and requirements, differences in provider supply and availability, varying demand for services, and the timing and structure of rate setting processes in other state Medicaid programs.

SUMMARY OF AVAILABLE MEDICAID RATE COMPARISONS

SERVICE CATEGORIES	NUMBER OF CODES REVIEWED	AVERAGE NUMBER OF BENCHMARKS PER CODE
Behavioral Health	27	1.8
Early Intervention	4	1.5
Homecare Services	5	3.2

Task 9

Private pay rate benchmarks

- Report compared Medicaid MMIS fee-for-service reimbursement rates to:
 - Provider billed amounts to commercial insurers (CY21)
 - Commercially negotiated allowed rates (CY21)
 - Medicare rates (CY23)
 - Rhode Island Medicaid MCO rates (SFY22)
- The unique nature of social and human service programs results in **limited commercial and Medicare benchmarks**.

PERCENTAGE OF SFY 2022 FFS & MEDICAID MCO EXPENDITURES BENCHMARKED

SERVICE CATEGORY	SFY22 EXPENDITURES	PERCENTAGE BENCHMARKED		
	(\$ MILLIONS)	COMMERCIAL	MEDICARE	MEDICAID MCO
Behavioral Health Providers				
BHDDH Behavioral Health Group	\$ 11.0	97.8%	98.1%	98.0%
CMHC - ACT	19.7	0.0%	0.0%	0.0%
CMHC - IHH	33.4	0.0%	0.0%	0.0%
CMHC - MHPRR	17.2	0.0%	0.0%	0.0%
CMHC - Other	12.7	0.0%	0.0%	0.0%
Children's Behavioral Health Group	24.7	21.6%	100.0%	99.9%
Emergency Behavioral Health Service	2.5	0.0%	0.0%	0.0%
Licensed Therapist	5.7	100.0%	100.0%	100.0%
Other Therapies	2.9	77.6%	73.0%	88.8%
Peer Recovery Services	0.1	0.0%	0.0%	0.0%
Psychologist	0.7	97.4%	100.0%	94.2%
Substance Use Rehabilitation	20.3	20.0%	86.8%	96.3%
Total	\$ 151.0	19.1%	40.9%	42.4%
Children's Services				
Cedar	\$ 0.4	0.0%	0.0%	100.0%
CRAFT	3.0	0.0%	0.0%	0.0%
Early Intervention	8.5	32.9%	0.0%	98.7%
Home/Center Based Therapeutic Services	33.0	27.2%	0.0%	89.1%
Total	\$ 44.9	26.2%	0.0%	85.1%

Notes

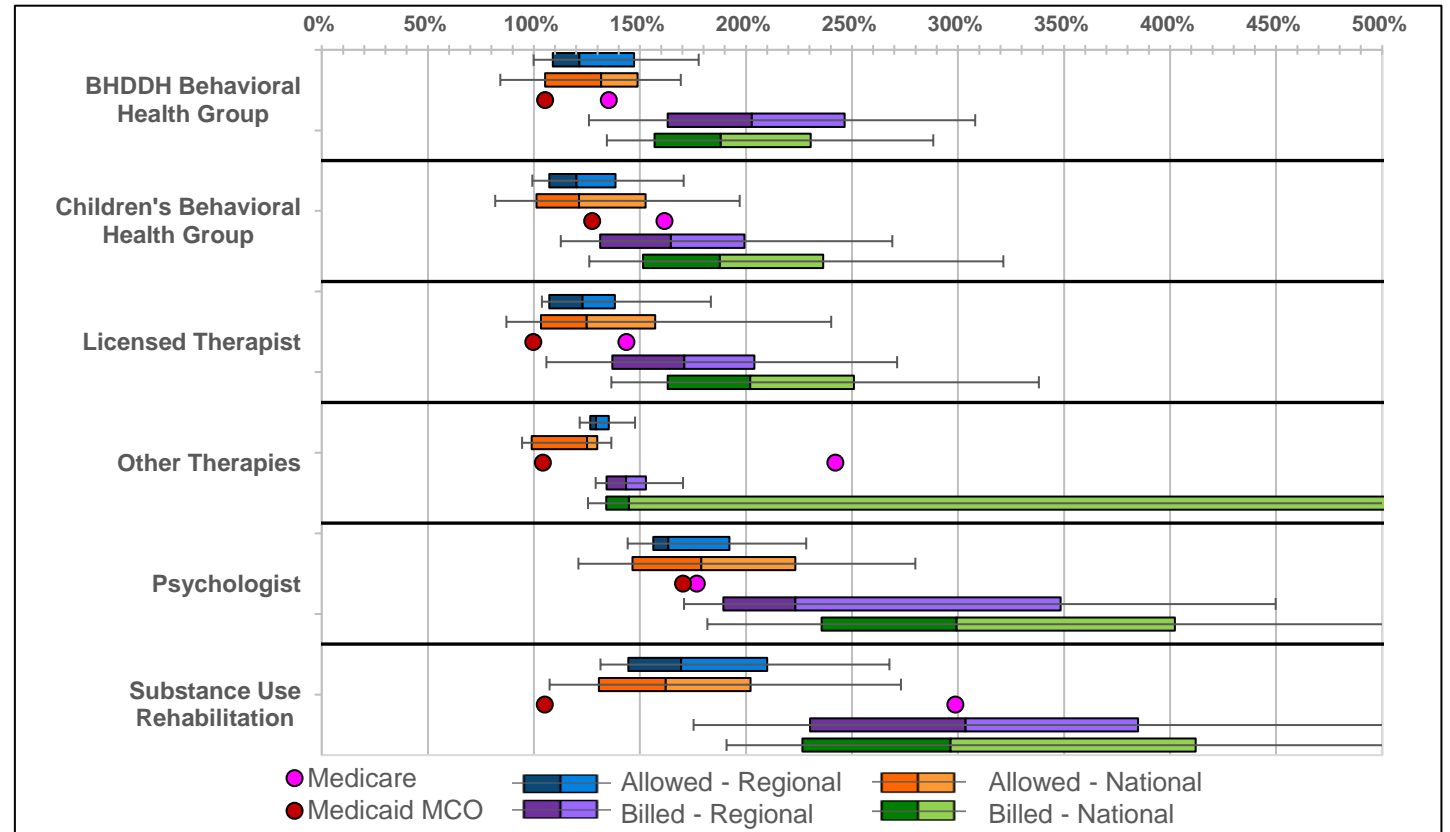
1. Values in the figure include Medicaid FFS and MCO expenditures. The SFY 2022 FFS expenditures represent SFY 2022 billed units multiplied by the current FFS rate. The illustrated amount will vary from actual paid SFY 2022 expenditures due to fee schedule changes, third party payers, and other payment adjustments.
2. See report for full methodology notes and analysis limitations.

Task 9

Behavioral health rate benchmarks

- All BH services have median regional and national commercial allowed amounts and provider billed charges above the Medicaid FFS rates.
- Medicare reimburses at approximately 130% to 300% of the Medicaid FFS rate.
- Medicaid MCO reimbursement is approximately 100% to 125% of the Medicaid FFS rate for behavioral health services.
- Benchmarks exceed the Medicaid rate by the largest percentage for Substance Use Rehabilitation services.

BEHAVIORAL HEALTH PROVIDERS BENCHMARKS AS A PERCENTAGE OF MEDICAID FFS



Notes

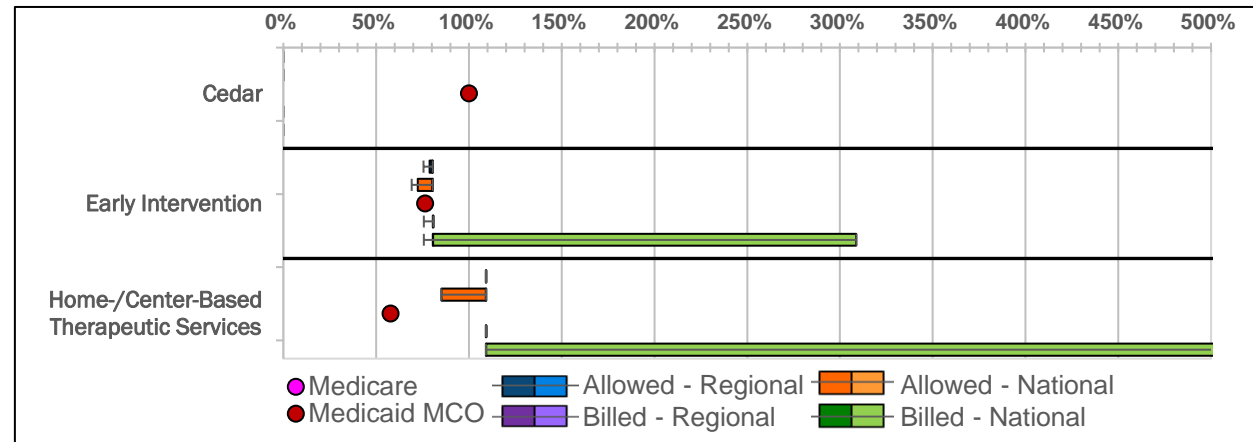
1. Bar graphs for allowed and billed amounts represent the 10th, 25th, 50th, 75th, and 90th percentile benchmark rate at each vertical line, from left to right.
2. The Medicaid FFS rates are effective as of July 1, 2023. The Medicare reimbursement rates are matched at the code level since none of the Rhode Island FFS modifiers are present on the 2023 Medicare fee schedule. Adjustments to the Medicare rate for provider credentials was made when applicable.
3. See report for full methodology notes and analysis limitations.

Task 9

Children's services rate benchmarks

- Regional / national commercial allowed charges and Medicaid MCOs reimburse early intervention services at a relatively consistent rate in the benchmarked time periods. Billed charges for these services varies materially.
- Medicare benchmarks are not available for children services.
- Medicaid FFS rates for early intervention and Home-Based Therapeutic Services were increased July 1, 2022. Medicaid MCOs are required to pay at or above Medicaid FFS rates and have adjusted their fee schedules since the SFY 22 data used in this analysis.

CHILDREN'S SERVICES BENCHMARKS AS A PERCENTAGE OF MEDICAID FFS



Notes

1. The Medicaid FFS rates are effective as of July 1, 2023, and the time period represented by the benchmarks is prior to this date. Medicare reimbursement rates represent CY 2023 Medicare fee schedules. The Medicare reimbursement rates are matched at the code level since none of the Rhode Island FFS modifiers are present on the 2023 Medicare fee schedule. Adjustments to the Medicare rate for provider credentials was made when applicable.
2. See report for full methodology notes and analysis limitations.

Independent Rate Model

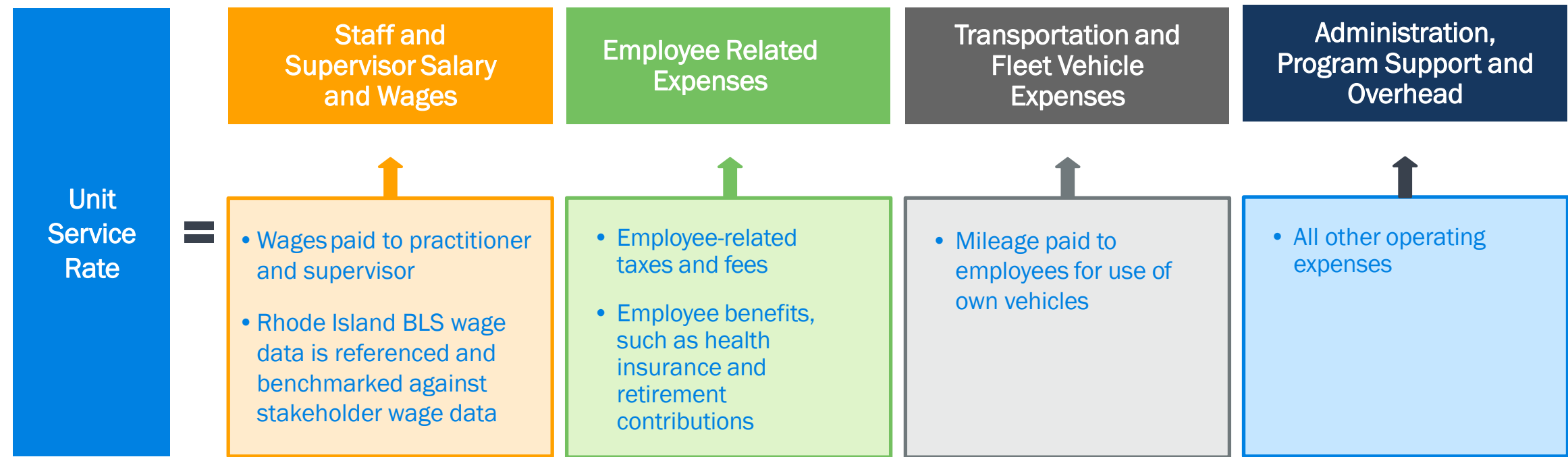
Process

- As an additional data point for comparison, provider reimbursement rates were developed based upon a **ground-up approach** modeling the expenses expected to be incurred from delivering the service
- Independent Rate Model (IRM) assumptions are based on research and stakeholder engagement activities, including:
 - **Review of service requirements.** We reviewed program requirements associated with delivering the service.
 - **Review of available data sources for assumption development.** We reviewed publicly available data and benchmarked against stakeholder-provided information.
 - **State agency program administrator interviews.** We interviewed program administrators from EOHHS and BHDDH responsible for the administration of in-scope services.
 - **Provider interviews.** We interviewed leadership from provider agencies to collect feedback and answer questions.
 - **Data collection template.** We sent a data collection template to providers to submit data and general feedback used for rate development.
 - **Draft results provided for provider feedback.** We provided draft rates for feedback to providers and solicited final feedback.

Independent Rate Model

Framework

- The IRM approach estimates what the costs for each service could be given the resources (salaries and other expenses) reasonably expected to be necessary, on average, while delivering the service.
- IRM expense categories modeled are shown below:



Independent Rate Model

Codes selected for IRM comparison rate development

HCPCS	DESCRIPTION
Behavioral Health Service Codes	
90791	Psychiatric diagnostic interview examination including history, mental status, or disposition
90792	Psychiatric diagnostic interview examination including history, mental status, or disposition
90832	Psychotherapy, 30 minutes with patient and/or family member
90834	Psychotherapy, 45 minutes with patient and/or family member
90837	Psychotherapy, office/outpatient facility, 60 minutes face to face with the patient
90846	Family psychotherapy (without patient present)
90847	Family psychotherapy (with patient present)
90853	Group psychotherapy (other than of a multiple family group)
99211	Office or other outpatient visit for the evaluation and management of an established patient - 5 min
99212	Office or other outpatient visit for the evaluation and management of an established patient - 10 min
99213	Office or other outpatient visit for the evaluation and management of an established patient - 15 min
99214	Office or other outpatient visit for the evaluation and management of an established patient - 25 min
99215	Office or other outpatient visit for the evaluation and management of an established patient - 40 min
H0037	Integrated Health Home
H0040	Assertive Community Treatment

HCPCS	DESCRIPTION
Early Intervention Service Codes	
H2000	Comprehensive multidisciplinary evaluation
T1016	Service coordination, each 15 minutes
T1024	Team evaluation & management per encounter
T1027	Family training and counseling for child development, per 15 minutes
Home Care Services	
S5125	Personal Care services; per 15 minutes
S5130	Homemaker service, not otherwise specified (nos); per 15 minutes
T1000	Private duty / independent nursing service(s) - licensed, up to 15 minutes
T1001	Nursing Assessment / Evaluation
Substance Use Disorder Services	
H0020	Alcohol and/or drug services; methadone administration and/or service (1 unit per week)
H0037 (OTP)	Integrated Health Home: OTP

Notes

- (1) IRM comparison rates for various modifiers were modeled for the above procedure codes. See Appendix 1 of the IRM report for a list of all modifiers for which IRM comparison rates were developed.
- (2) Comparison rates were only developed to be applicable for certain program indicators. See Appendix 1 of the IRM report for a listing of applicable program indicators.
- (3) See report for full methodology notes and analysis limitations.

Independent Rate Model

Comparison Rates

- IRM comparison rates were generally materially higher than current FFS rates.
- IRM results were one of multiple comparisons considered by OHIC in development of rate recommendations.
- See [Appendix 1 of the IRM report](#) for comparison rates at the procedure code and modifier level.

Notes

1. IRM comparison rates for various modifiers were modeled for the above procedure codes. See Appendix 1 of the IRM report for a list of all modifiers for which IRM comparison rates were developed.
2. IRM comparison rates are based on assumptions trended to January 1, 2025, the midpoint of SFY 2025. The FFS rates reflect the rate effective as of July 1, 2023.
3. Comparison rates were only developed to be applicable for certain program indicators. See Appendix 1 for a listing of applicable program indicators.
4. Home care comparison rates for S5125 and S5130 were developed to be inclusive of costs incurred by a home care agency to meet the criteria for applicable enhancement criteria.
5. See report for full methodology notes and analysis limitations.

COMPARISON RATE RELATIVE TO FFS RATE

PROCEDURE CODE GROUPING	INCLUDED PROCEDURE CODES	IRM COMPARISON RATE	COMPOSITE CURRENT FFS RATE	PERCENT DIFFERENCE
Behavioral Health Service Codes				
Psychiatric Evaluation	90791; 90792	\$ 166.66	\$ 153.07	8.9%
Psychotherapy	90832; 90834; 90837; 90846; 90847	74.38	63.88	16.4%
Group Psychotherapy	90853	35.05	32.68	7.3%
Psychiatric Office Visit	99211 - 99215	40.88	39.19	4.3%
Integrated Health Home	H0037	18.95	13.82	37.1%
Assertive Community Treatment	H0040	51.39	41.65	23.4%
Early Intervention Service Codes				
Early Intervention Assessment	H2000	\$ 1,031.06	\$ 1,064.36	(3.1%)
Early Intervention Service Coordination	T1016	41.14	36.29	13.3%
Early Intervention Family Training, Education, and Support	T1024; T1027	49.71	42.28	17.6%
Home Care Services				
Personal Care and Homemaker Services	S5125; S5130	\$ 10.76	\$ 6.80	58.1%
Home Care Nursing Evaluation	T1001	185.33	106.21	74.5%
Private Duty Nursing	T1000	18.88	13.30	41.9%
Substance Use Disorder Services				
Methadone Bundle	H0020	\$ 137.97	\$ 84.98	62.4%
Integrated Health Home (OTP)	H0037 (OTP)	13.07	7.64	71.1%

Programmatic Reports

Programmatic Reports

Summary and Key Points

Task 2: Eligibility standards

- Overview of eligibility and process for social and human services with a focus on Medicaid/CHIP and DCYF services
- Comparisons to New England states and national standards

Task 4: State government structure

- Covers state program relationship to providers (contracting, licensure, and oversight)
- Overview of state government department staffing structure

Task 5: Accountability standards

- Inventories points of accountability for social and human service programs
- Outlines agencies responsible for oversight, standards, and reporting requirements

Task 6: License requirements

- License, credential, and/or education required to perform specific services
- Used to inform IRM assumptions

Task 7: Program access

- Reports potential access issues using qualitative and quantitative review methods
- Outlines data availability and limitations

OHIC Final Report and Recommendations

OHIC Final Report: Rate Recommendations

Considerations and General Approach

Rate recommendation considerations

Determination of in-scope services

Stakeholder feedback

Utility of each quantitative analysis

- **IRM modeling:** Transparent, considers necessary costs from the ground up under existing economic conditions
- **Rate benchmarks:** Assumes appropriateness of given rate benchmark and normalization of variances in service and reimbursement structure
- **Inflation** (from prior effective date to present): Assumes prior rate was adequate at the time

Access report

General rate recommendation approach

- For services out of scope, no recommendation was made.
- For services with an IRM rate, the IRM comparison rate was recommended.
- For services without an IRM rate (due to time and resource constraints), rates were generally adjusted for inflation.
 - The Personal Consumption Expenditures Price Index (PCE), excluding food and energy, was used for most services.
 - Reimbursement rates were adjusted for inflation from the last rate update to a July 1, 2025, effective date.
- Static rate benchmarks do not cleanly align with the statutory definition of rate review as the “reporting of specific trending factors that influence the cost of service” and were considered but not directly used in rate recommendations.

OHIC Final Report: Rate Recommendations

Behavioral Health

- Adoption of IRM comparison rates produces a range of rate adjustments from (33%)* to 71%.
- IRM comparison rates were developed for the following set of services, comprising approximately 45% of total Behavioral Health Medicaid FFS expenditures.
 - Psychiatric evaluations
 - Psychotherapy
 - Office visits
 - Substance Use Disorder Services (Methadone Bundle and Integrated Health Home)
 - Other (Integrated Health Home, Assertive Community Treatment)
- Inflation adjusted rates produce a range of rate adjustments from 6.0% to 68.2%.
- Recommendations may have downstream impact on Medicaid MCO reimbursement.

**Note: Rate recommendations with material decreases are generally for office visits performed by a PCNS.*

Program Detail	Baseline Expenditures	Composite Rate Impact	Expenditure Estimates using Proposed Rates	Difference
BHDDH Behavioral Health Group	\$ 267,755	16.0%	\$ 310,520	\$ 42,764
Children's Behavioral Health Group	15,855	35.5%	21,482	5,627
CMHC – ACT	5,730,499	23.4%	7,070,596	1,340,097
CMHC – IHH	8,622,118	37.1%	11,822,658	3,200,540
CMHC – MHPRR	6,042,010	25.9%	7,609,007	1,566,997
CMHC – Other	11,071,525	26.9%	14,054,515	2,982,990
Emergency Behavioral Health Service	734,360	17.2%	860,937	126,577
Licensed Therapist	1,616	35.2%	2,185	569
Other Therapies	460,437	15.9%	533,657	73,220
Peer Recovery Services	191,847	20.0%	230,268	38,421
Psychologist	18,082	24.0%	22,423	4,341
Substance Use Rehabilitation	858,082	60.5%	1,377,611	519,529
Total / Composite	\$ 34,014,186	29.1%	\$ 43,915,858	\$ 9,901,672

- Notes:
1. Fiscal Impacts are based on FFS expenditures (i.e., excluding Medicaid MCO expenditures) incurred between April 1, 2022 and March 31, 2023, paid through July 31, 2023.
 2. Rate recommendation expenditures are FFS expenditures increased by the dollar weighted difference between the current effective rate and the proposed rate.
 3. No adjustments are made for completion or utilization trend.
 4. Estimates are to provide an understanding of the magnitude of the rate recommendation on the FFS Medicaid program but are not intended to be fiscal projections. The actual fiscal impact amounts of rate recommendations will vary to the extent to which future experience conforms to the assumptions made for this analysis.

OHIC Final Report: Rate Recommendations

Home and Community-Based Services (HCBS)

- Adoption of IRM comparison rates produces a range of rate adjustments from **18.4% to 74.5%**.
- IRM comparison rates were developed for the following set of services, comprising approximately 60% of total HCBS FFS expenditures.
 - Personal Care and Homemaker Services
 - Home Care Nursing Evaluation
 - Private Duty Nursing
- Inflation adjusted rates produce a range of rate adjustments from **2.5% to 84.0%**.
- Certain HCBS receive annual inflationary rate increases, including home health, hospice, home care, and home delivered meals.

Program Detail	Baseline Expenditures	Composite Rate Impact	Expenditure Estimates using Proposed Rates	Difference
Adult Day Care	\$ 5,630,775	19.8%	\$ 6,745,319	\$ 1,114,544
Assisted Living Facility	17,667,564	10.8%	19,581,550	1,913,986
Case Management	2,192,569	56.5%	3,430,277	1,237,708
Day Habilitation	402,399	39.1%	559,729	157,329
Home Care	58,312,943	39.7%	81,457,711	23,144,768
Home Health	604,820	2.5%	619,946	15,125
Home Meal Delivery	427,311	3.8%	443,460	16,149
Hospice	1,142,982	2.5%	1,171,540	28,558
Independent Provider	1,315,856	8.0%	1,421,256	105,399
Personal Choice/Hab Case Management	759,425	17.6%	893,000	133,575
Self-Directed Community Services	702,875	15.2%	809,937	107,062
Severely Disabled Nursing Homecare	5,345,491	42.0%	7,590,791	2,245,299
Shared Living Agency	6,551,660	19.6%	7,838,431	1,286,771
Waiver Case Manager - Other	11,910	39.0%	16,556	4,646
Composite	\$ 101,068,581	31.2%	\$ 132,579,501	\$ 31,510,920

Notes:

1. Fiscal Impacts are based on FFS expenditures (i.e., excluding Medicaid MCO expenditures) incurred between April 1, 2022 and March 31, 2023, paid through July 31, 2023.
2. This exhibit is inclusive of the fiscal impact from the Home Care modifier and enhancement rate recommendations.
3. Rate recommendation expenditures are FFS expenditures increased by the dollar weighted difference between the current effective rate and the proposed rate.
4. No adjustments are made for completion or utilization trend.
5. Estimates are to provide an understanding of the magnitude of the rate recommendation on the FFS Medicaid program but are not intended to be fiscal projections. The actual fiscal impact amounts of rate recommendations will vary to the extent to which future experience conforms to the assumptions made for this analysis.

OHIC Final Report: Rate Recommendations

Children’s Services

- Adoption of IRM comparison rates for Early Intervention services produces a range of rate adjustments from (3.1%) to 38.7%.
- IRM comparison rates were developed for the following set of services, comprising approximately 20% of total Children’s Services FFS expenditures.
 - Early Intervention Assessment
 - Early Intervention Service Coordination
 - Early Intervention Family Training, Education, and Support
- Early Intervention rates were increased by 45% effective July 1, 2022.
- Inflation adjusted rates produce a range of rate adjustments from 3.0% to 86.8%.
- OHIC found existing DOH rate models for home visiting programs to be reasonable and adopted these rates, some of which were below existing temporary rates.

Program Detail	Baseline Expenditures	Composite Rate Impact	Expenditure Estimates using Proposed Rates	Difference
Cedar	\$ 53,100	7.4%	\$ 57,033	\$ 3,933
CRAFT	3,431,973	30.4%	4,476,768	1,044,796
Early Intervention	3,469,514	13.3%	3,929,974	460,460
Home/Center-Based Therapeutic Services	12,145,658	7.4%	13,044,341	898,683
Home Visits	963,707	(15.5%)	814,386	(149,322)
Composite	\$ 20,063,952	11.3%	\$ 22,322,502	\$ 2,258,550

- Notes:
1. Fiscal Impacts are based on FFS expenditures (i.e., excluding Medicaid MCO expenditures) incurred between April 1, 2022 and March 31, 2023, paid through July 31, 2023.
 2. Rate recommendation expenditures are FFS expenditures increased by the dollar weighted difference between the current effective rate and the proposed rate.
 3. No adjustments are made for completion or utilization trend.
 4. Estimates are to provide an understanding of the magnitude of the rate recommendation on the FFS Medicaid program but are not intended to be fiscal projections. The actual fiscal impact amounts of rate recommendations will vary to the extent to which future experience conforms to the assumptions made for this analysis.

OHIC Final Report: Rate Recommendations

I/DD and Other Non-Medicaid Programs

Intellectual and Development Disability (I/DD)

- Review of most I/DD services were deferred as they were recently reviewed pursuant to the state’s Consent Decree Action Plan.
- OHIC made recommendations to certain home care services delivered to individuals with I/DD based on the IRM comparison rates.

Program Detail	Baseline Expenditures	Composite Rate Impact	Expenditure Estimates using Proposed Rates	Difference
Home Care	\$2,633,016	32.1%	\$ 3,477,569	\$ 844,553

Notes:

1. Fiscal Impacts are based on FFS expenditures (i.e., excluding Medicaid MCO expenditures) incurred between April 1, 2022 and March 31, 2023, paid through July 31, 2023.
2. Rate recommendation expenditures are FFS expenditures increased by the dollar weighted difference between the current effective rate and the proposed rate.
3. No adjustments are made for completion or utilization trend.
4. Estimates are to provide an understanding of the magnitude of the rate recommendation on the FFS Medicaid program but are not intended to be fiscal projections. The actual fiscal impact amounts of rate recommendations will vary to the extent to which future experience conforms to the assumptions made for this analysis.

Other Non-Medicaid Programs

- The following non-Medicaid programs are not reimbursed through the MMIS fee schedule, and **no rate recommendations were made** in this rate cycle.
 - DCYF: Child welfare and behavioral health services
 - DHS: Child Care Assistance Program and certain Vocational Rehabilitation services
 - DOH: Tobacco Quit Line
 - OHA: Care Breaks at the Office of Healthy Aging

OHIC Final Report: Rate Recommendation Process

Recommendations for Future Rate Reviews

Re-allocate resources within the rate review process

- Retire/streamline certain reports:
 - **Retire:** Programmatic reports on eligibility, state government structure, accountability standards, and personnel requirements.
 - **Streamline:** Programmatic report on access to programs and finance report comparing Medicaid fee-for-service rates to certain benchmarks.
- Streamline and clarify the definition of “social and human services reimbursement rates.”
- Allocate more resources to independent rate model development and stakeholdering.

Other recommendations

- Add primary care services to the review and move to an annual rate review cycle that focuses on specific service areas each year starting July 1, 2024.
- Clarify definitions such as “rate review” and “rate setting.”
- Future rate reviews may consider rate structure changes.
- Codify and outline the responsibilities of the Social and Human Services Review Advisory Council in legislation.



Thank You!

[Link to all published reports](#)

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Appendix



Appendix A: Task 8

Data

Task 8

Medicaid Rate Comparisons

Procedure Code	Description	RI Rates	Percentage Variance (Rhode Island Rate / Comparator Rate)				
		Base Rate	CT	ME	MA	NH	VT
Behavioral Health							
90791-AJ	Psychiatric diagnostic evaluation without medical services	\$ 131.75	123%	N/A	N/A	N/A	N/A
90791-HO	Psychiatric diagnostic evaluation without medical services	\$ 131.75	123%	N/A	101%	N/A	88%
90832-AJ	Psychotherapy, 30 minutes with patient and/or family member	\$ 52.50	117%	N/A	N/A	N/A	N/A
90832-HO	Psychotherapy, 30 minutes with patient and/or family member	\$ 52.50	117%	N/A	101%	N/A	81%
90834-AJ	Psychotherapy, 45 minutes with patient and/or family member	\$ 72.00	110%	N/A	N/A	N/A	N/A
90834-HO	Psychotherapy, 45 minutes with patient and/or family member	\$ 72.00	110%	N/A	126%	N/A	84%
90837-AJ	Psychotherapy, 60 minutes with patient and/or family member	\$ 75.00	76%	N/A	N/A	N/A	N/A
90837-HO	Psychotherapy, 60 minutes with patient and/or family member	\$ 75.00	76%	N/A	60%	N/A	59%
90846-AJ	Family psychotherapy (without the patient present)	\$ 67.50	104%	N/A	N/A	N/A	N/A
90846-HO	Family psychotherapy (without the patient present)	\$ 67.50	104%	N/A	67%	N/A	82%
90847-AJ	Family psychotherapy (conjoint psychotherapy) (with patient present), 50 minutes	\$ 72.00	90%	N/A	N/A	N/A	N/A
90847-HO	Family psychotherapy (conjoint psychotherapy) (with patient present), 50 minutes	\$ 72.00	90%	N/A	71%	N/A	84%
90853-AJ	Group psychotherapy (other than of a multiple-family group)	\$ 36.00	145%	N/A	N/A	N/A	N/A
90853-HO	Group psychotherapy (other than of a multiple-family group)	\$ 36.00	145%	N/A	119%	N/A	157%
99211	Office or other outpatient visit for the evaluation and management of an established patient	\$ 8.05	N/A	N/A	36%	N/A	N/A
99212	Office or other outpatient visit for the evaluation and management of an established patient, straightforward medical decision making	\$ 56.00	N/A	N/A	106%	N/A	N/A
99213	Office or other outpatient visit for the evaluation and management of an established patient; low complexity	\$ 78.00	N/A	N/A	93%	N/A	N/A
99214	Office or other outpatient visit for the evaluation and management of an established patient, moderate complexity	\$ 118.00	N/A	N/A	82%	N/A	N/A
99215	Office or other outpatient visit for the evaluation and management of an established patient, high complexity	\$ 148.00	N/A	N/A	89%	N/A	N/A

Identified a high level of variability among the New England states in how services are reimbursed among the observed set of services.

- Behavioral health services had comparator rates above and below the Rhode Island reimbursement for many services.
- Behavioral health evaluation and management services (99211-99215) were difficult to compare to other states as similar codes are used for non-behavioral health services in most states and differences are not clearly differentiated.

Notes

- Cases where an equivalent service and reimbursement rate that could be reasonably adjusted for comparison to the Rhode Island Medicaid service was not available are marked as "N/A".
- Where the Rhode Island rates varied in structure, billed units, the use of modifiers, or other factors, we developed composite rates for comparison. Composite rates represent a normalized comparison against available state Medicaid rates.
- Rhode Island and comparator rates are based on the observed rate as of July 1, 2023.
- See report for full methodology notes and analysis limitations.

Task 8

Medicaid Rate Comparisons

Procedure Code	Description	RI Rates	Percentage Variance (Rhode Island Rate / Comparator Rate)				
		Base Rate	CT	ME	MA	NH	VT
Behavioral Health							
H0001	Alcohol And/Or Drug Assessment	\$ 97.00	N/A	N/A	84%	57%	N/A
H0004-HO	Behavioral Health Counseling And Therapy (Master's Degree)	\$ 16.25	N/A	63%	N/A	N/A	N/A
H0004-HQ-HO	Behavioral Health Counseling And Therapy (Master's Degree/Group)	\$ 5.00	N/A	59%	N/A	N/A	N/A
H0004	Behavioral Health Counseling And Therapy	\$ 17.94	N/A	N/A	62%	53%	62%
H0004 Composite	Behavioral Health Counseling And Therapy	\$ 17.55	N/A	N/A	61%	52%	60%
H0005	Group Counseling By A Clinician	\$ 32.30	N/A	N/A	93%	114%	N/A
H0020	Methadone Administration and Service	\$ 84.98	94%	50%	45%	N/A	81%
H0037	Community psychiatric supportive treatment program, per diem	\$ 13.82	N/A	N/A	N/A	N/A	38%
H0040	Assertive community treatment program, per diem	\$ 41.65	N/A	59%	76%	N/A	N/A
Early Intervention							
T1016	Case management, each 15 minutes	\$ 25.35	101%	N/A	N/A	N/A	155%
T1024	Evaluation and treatment by an integrated specialty team to provide coordinated care to multiple or severely handicapped children	\$ 43.44	N/A	N/A	120%	N/A	N/A
T1027	Family training and counseling for child development, per 15 minutes	\$ 43.44	207%	N/A	N/A	161%	N/A
H2000	Office or other outpatient visit for the evaluation and management of an established patient; medical decision making of high complexity	\$ 1,064.36	N/A	N/A	N/A	N/A	152%
Homecare Services							
S5125	Attendant Care Services	\$ 6.79	117%	102%	N/A	N/A	78%
S5125 Composite	Attendant Care Services	\$ 7.28	126%	110%	N/A	N/A	83%
S5130	Homemaker Service	\$ 6.35	127%	N/A	92%	N/A	N/A
S5130 Composite	Homemaker Service	\$ 6.70	134%	N/A	97%	N/A	N/A
T1001	Nursing Assessment/Evaluation	\$ 106.21	108%	N/A	N/A	N/A	N/A
T1000	Private Duty/ Independent Nursing Service (RN)	\$ 14.68	60%	94%	100%	98%	125%
T1000-TE	Private Duty/ Independent Nursing Service (LPN)	\$ 11.88	49%	107%	97%	86%	119%

Identified a high level of variability among the New England states in how services are reimbursed among the observed set of services.

- Rhode Island bundled service programs like Methadone treatment (H0020), Integrated Health Home (H0037) and Assertive Community Treatment (H0040) programs were reimbursed below observed comparator rates.
- Rhode Island Early Intervention services were reimbursed above most comparator rates.
- Home care had comparator rates above and below the Rhode Island reimbursement for most services.

Notes

1. Cases where an equivalent service and reimbursement rate that could be reasonably adjusted for comparison to the Rhode Island Medicaid service was not available are marked as "N/A".
2. Where the Rhode Island rates varied in structure, billed units, the use of modifiers, or other factors, we developed composite rates for comparison. Composite rates represent a normalized comparison against available state Medicaid rates.
3. Rhode Island and comparator rates are based on the observed rate as of July 1, 2023.
4. See report for full methodology notes and analysis limitations.

Appendix B: Programmatic Report Detail

Task 2

Eligibility standards and processes of social and human service programs

Final report provided a **comprehensive overview on a wide range of social and human services** offered in Rhode Island with information on the eligibility criteria, services, and level of needs assessment/application processes.

The report focused on eligibility and processes under Medicaid and DCYF.

Medicaid/CHIP Eligibility & Process

- Reporting on data points: eligibility criteria, match rates for different categories, percent enrolled in managed care, application process and timeliness, and total Medicaid spending
- Comparisons to regional states/national picture for data points on eligibility criteria, managed care, and spend
- Discussion on select processes including waiver authority and opportunities for enhanced federal match

DCYF Eligibility & Process

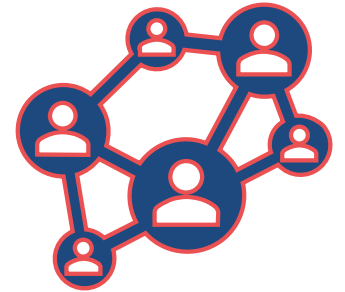
- Eligibility criteria for prevention services/foster care/residential care
- Detailed coverage of state prevention plan, child welfare spend, and foster care services
- Comparison to regional states/national picture on prevention services, spending, and foster care utilization

Task 4

Structure of state government as it relates to the provision of services by social and human service providers including eligibility and functions of the provider network

Final report is an **educational report** providing a summary of the structure of state government and how it relates to providers of services.

- Descriptions of **state program relationship to providers**.
 - Who are eligible providers/How do providers enroll as providers
 - List any licensure or certification that is done by the department for any provider types
 - Any additional oversight activities of providers, such as required reports, site visits, or audits
 - If they are directly paid by the department, how payments are made
- Description of the **Medicaid managed care contracting process**.
 - What is included in the contract/How do states oversee managed care organizations
- Specific focus on **department staffing structure** and **DCYF procurement process**
- Department staffing for EOHHS, DHS, DOH, DCYF, BHDDH
 - Number of full-time staff/contract staff
 - Administrative work that is contracted out
- DCYF procurement process
 - Structure of procurement process
 - Contract details: length of contract/total dollars



Task 5

Accountability standards for services for all social and human service programs

The final report provides **an inventory of known points of accountability** for social and human services programs. The report also provides an **assessment and evaluation** on accountability standards for EOHHS MCO contracts and DCYF provider contracts.

- **Program summaries** include:
 - State agency and department responsible for oversight, federal oversight body, federal reporting requirements, external state oversight (non-agency), and state required reporting.
- Assessment and evaluation explored the following type of topics:
 - Scope of performance metrics in contracts
 - Value-based purchasing arrangements
 - Provider access standards
 - Consequences for failure to meet performance metrics
 - Discussion of current findings in required reporting

Task 6

Professional licensed and unlicensed personnel requirements for established rates for social and human service programs pursuant to a contract or established fee

- The final report provided insight and research into the credentialing and oversight requirements which informed the finance rate analysis.
- Focus was on Behavioral Health Services, Early Intervention Services, Home Health Services, and Substance Use Disorder treatment services.
- **Behavioral Health Services**
 - Psychiatric diagnostic interview examination (90791)
 - Psychotherapy, 30, 45, and 60 minutes (90832, 90834, 90837)
 - Family psychotherapy (without patient present) (90846)
 - Family psychotherapy (with patient present) (90847)
 - Group psychotherapy (90853)
 - Psychiatric diagnostic interview examination disposition (90792)
 - Office visit for the evaluation and management; 5-40 minutes (99211-99215)
- **Early Intervention**
 - Comprehensive multidisciplinary evaluation (H2000)
 - Case management, each 15 minutes (T1016)
 - Team evaluation & management, per encounter (T1024)
 - Family training and counseling, per 15 minutes (T1027)
- **Home Health**
 - Attendant care services; per 15 minutes (S5125)
 - Homemaker service, not otherwise specified; per 15 minutes (S5130)
 - Nursing Assessment / Evaluation (T1001)
 - Private duty / independent nursing service(s) - licensed, up to 15 minutes (T1000)
- **Substance Use Disorder Treatment services**
 - Substance abuse counseling and therapy (H0004)
 - Group counseling by a clinician (H0005)
 - Bundled methadone administration and/or service (H0020)
 - Alcohol and/or drug assessment, 60-90 minutes (H0001)

Task 7

Access to social and human service programs, to include waitlists and length of time on waitlists in each service

The final report provides a brief **overview of the formal waitlists** (defined as a list overseen by the state) and analysis of the **inventory of services** that were identified by advocates and the Social and Human Service Programs Review Advisory Council as experiencing access issues.

- The report includes a **detailed methodology** on how access was assessed. Research activities included stakeholder interviews and both **qualitative** and **quantitative** review.

The report assessed access to Child and Adolescent Behavioral Health, Adult Behavioral Health, Home Care and HCBS, NEMT, and TBI day services.

- **Quantitative research** included analysis of professional provider capacity, comparison to regional states, and **analysis of available data** for waitlists, utilization trends, and relevant existing reports. For formal waitlists, the size and scope of each waitlist is provided, and the waitlist management process was described.
- **Qualitative research** included conducting **interviews with stakeholders and subject matter experts (SMEs)** to collect their feedback regarding the seven dimensions of access for the four service categories of focus.