



## May 2025 Caseload Estimating Conference: Medical Assistance Follow-Up

### 1. How much of the OHIC Rate review reduction taken in the Nov. adopted estimate was added back to the projected LTSS spending?

Medicaid did not take savings in its November CEC revision for LTSS/HCBS spending. The OHIC rate review included many services, and the savings included in the November CEC were for Medicaid’s lower cost estimates for increases to those other services (e.g., BH services, children services—not HCBS).

The table below compares the total below-the-line adjustment for the OHIC Rate Review in the Enacted and November CEC adopted budgets for SFY 2025 and compares these to an estimate of the OHIC amount included in Medicaid’s reprojection for May. In the Nov. CEC, Medicaid reduced its cost estimate for OHIC by \$44.5 million. In its May CEC estimate, Medicaid added \$20.2 million. This increase was attributed to additional spending on HCBS—specifically home care services.

The table below shows the total HCBS budget line for SFY 25. Between the Enacted and Nov. CEC adopted budget, Medicaid did not take any savings against its HCBS line; rather it increased spending by \$7.3 million. The further increase of \$20.1 million in the May CEC compared to Nov CEC is nearly equivalent to the increase in the overall estimate of OHIC’s rate review.

	Enacted	Nov. CEC	May CEC
OHIC Rate Review	\$158,704,976 AF	\$114,198,670 AF	\$134,381,999 AF
<i>See Attachment 2a</i>	\$62,311,217 GR	\$45,929,796 GR	\$54,086,087 GR
Home and Community Care	\$221,203,676 AF	\$228,500,000 AF	\$248,600,000 AF

### 2. Provide details on the Cover All Kids (CAK) churn.

Please see the following table for the monthly average churn by SFY quarter. The count of clients newly determined eligible under CAK criteria (i.e., “Newly CAK”) has fallen in SFY 2025 compared to SFY 2024. However, so too has the number of closures and the number of those closures transitioning to Medicaid. The reduction in the number of transitions is directly tied to the reduction in anticipated reallocation to Regular Medicaid as reflected in Medicaid’s May CEC testimony. Medicaid’s November estimate was based on SFY 2024 experience that is different from the current experience.

Medicaid’s estimate assumes a steady state in enrollment for the rest of SFY 2025 and SFY 2026. Despite the stability over the past few months, the 12-month horizon trends suggest the potential for continued growth in the state-only program; however, efforts by Immigration and Customs Enforcement (ICE) to identify undocumented residents may make otherwise eligible clients hesitant to seek coverage.



Average Monthly Enrollment		2024				2025			
		1	2	3	4	1	2	3	4
Newly CAK	Under 5 yrs	64	79	59	64	54	23	16	7
	5-12 yrs	174	210	211	221	193	84	63	33
	13-18 yrs	137	147	183	181	141	73	61	18
	19+ yrs	1	0			1			
<b>Newly CAK Total</b>		<b>376</b>	<b>436</b>	<b>453</b>	<b>465</b>	<b>388</b>	<b>181</b>	<b>140</b>	<b>57</b>
CAK Closures	Under 5 yrs	19	33	27	59	30	11	10	13
	5-12 yrs	72	103	147	272	154	33	32	59
	13-18 yrs	61	78	133	229	148	40	24	56
	19+ yrs	4	13	20	11	14	9	9	
<b>CAK Closures Total</b>		<b>152</b>	<b>218</b>	<b>320</b>	<b>581</b>	<b>342</b>	<b>98</b>	<b>75</b>	<b>136</b>
CAK Transitions to Medicaid	Under 5 yrs	19	31	26	51	27	9	8	11
	5-12 yrs	68	97	143	237	145	26	29	45
	13-18 yrs	57	72	126	194	128	22	20	39
	19+ yrs		0	2	4	1		0	3
<b>CAK Transitions to Medicaid Total</b>		<b>144</b>	<b>200</b>	<b>297</b>	<b>487</b>	<b>302</b>	<b>57</b>	<b>57</b>	<b>97</b>
CAK Enrollment	Under 5 yrs	437	532	596	597	599	613	576	516
	5-12 yrs	1,681	1,972	2,283	2,209	2,108	2,345	2,447	2,416
	13-18 yrs	1,277	1,509	1,726	1,697	1,580	1,798	1,934	1,915
	19+ yrs	54	84	97	53	35	22	49	67
<b>CAK Enrollment Total</b>		<b>3,449</b>	<b>4,097</b>	<b>4,702</b>	<b>4,556</b>	<b>4,322</b>	<b>4,778</b>	<b>5,006</b>	<b>4,914</b>

**3. In addition to Cover All Kids, please identify any other state-only programs at risk because they support undocumented individuals. Please provide financial estimates of these programs' operation.**

There are no other Medicaid state-only programs a risk because they support undocumented individuals.

**4. Provide The Work Number (TWN) SFY 2026 estimate by product line and update to Attachment 2A.**

The revised May 2025 CEC savings for TWN included in Attachment 2a for SFY 2026 was incorrect and reflected the Nov. CEC estimate. The correct amount is \$25.3 million All Funds, including \$6.2 million GR.

Approximately 9,500 clients are expected to be identified as over-income. To mitigate potential risk, half of this volume is expected to be identified during the initial run of client against the expanded dataset and half are expected to be identified during the third run. The TWN validation will be done quarterly and lead to ongoing cost avoidance rather than stepwise reductions in enrollment.

The revised forecast assumed implementation effective in July with closures impacting August enrollment.

The calculation and break down of the savings, by product, is as follows:

Product	Clients	Member Months	PMPM	All Funds	State Share
RC Core	2,048	15,369	\$461	\$7,094,266	\$3,036,346
Expansion	2,633	19,758	\$711	\$14,057,654	\$1,405,765
RHP	244	1,832	\$2,258	\$4,130,070	\$1,767,670



<b>Total</b>	<b>4,925</b>	<b>36,959</b>		<b>\$25,281,990</b>	<b>\$6,209,781</b>
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Medicaid attached an updated Attachment 2a to the email response to the Conferees.

**5. Provide eligibility category for the 57 Medicaid Beneficiaries who may qualify for new Sickle Cell Diseases (SCD) gene therapy treatments.**

The prior number of 57 included in Medicaid’s testimony reflected the number of distinct users having two or more vaso-occlusive crises (VOC) in SFY 23 and SFY 24. A VOC is when sickled cells block capillaries or other small blood vessels, reducing blood flow to tissues and organs, which can result in severe pain requiring treatment. Medicaid recommends that the estimate consider only those having a VOC event in SFY 2024 and requested that Gainwell refresh the data for SFY 24 VOC diagnostic codes. On April 29<sup>th</sup>, Gainwell sent updated data which show 23 distinct users, of which 20 have current Medicaid eligibility. Of the 20, only two were Expansion.

Medicaid’s estimate included \$1.5 million in pharmacy FFS for SCD gene therapy in SFY 25. The SFY 26 estimate included treatment for two of the twenty clients, with \$3.3 million budgeted in each FFS pharmacy and Expansion. Based on the revised data, the Conferees could consider moving the funding to the Pharmacy line items since most VOC diagnoses did not occur in the Expansion eligibility group.

**6. Detail preliminary SFY 25 risk share assessment after re-rating by product line.**

Risk share included in Medicaid’s revised estimate after application of revised managed care rates are reflected in each of the summary tables, if applicable. The table below consolidates these figures.

Please note that the amount included in the current fiscal year for Expansion includes a charge of \$8.2 million for a revision to NHPRI’s FY 2023 gain share. Medicaid’s SFY 2024 final accruals had assumed a gain share of \$16.6 million but it was reduced to \$8.4 million after allowance for NHPRI’s accounting of the shared savings paid to its Accountable Entities. This change will impact the current fiscal year given the reversal of the SFY 2024 accruals.

<b>Product Line</b>	<b>Amount</b>
RC Core	\$1,500,000
RC CSHCN	\$0
Expansion	\$1,000,000 (Current SFY) <u>\$8,159,877</u> (SFY 2023 Adjustment) \$9,159,877
Rhody Health Partners	\$750,000

**7. Provide the Hospital Regular and Nursing Facility IBNR amount applied to historical spend used for projection and total spend for March through July 2025?**



Medicaid estimates its budget on an incurred/service basis by applying an IBNR factor to account for outstanding claims activity that the agency anticipates will eventually be paid by the state. In applying IBNR, the most recent months become unreliable (as there is not enough activity from which to apply the IBNR factors). For purposes of its revised May 2025 estimate, Medicaid based its estimates on activity incurred through December 2025, estimating a monthly expenditure level that it then multiplied by six to get the anticipated expenditures for the second half of the fiscal year. For the Hospitals-Regular FFS product line, total projected spend for the remaining six months of SFY 2025 is \$18.4 million, or \$3.1 million each month from January through June 2025.

CEC_GRP Hospitals												Forecast:	
SVC_SFY 2025		July	August	September	October	November	December	January	February	March	Monthly Avg.	SFY 2025 Est.	
<b>Inpatient</b>	Sum of PAID	\$ 2,456,988	\$ 2,153,257	\$ 1,968,829	\$ 2,026,584	\$ 1,816,385	\$ 1,331,143	\$ 1,054,903	\$ 477,201	\$ 41,467			
	Sum of IBNR	\$ 289,201	\$ 294,829	\$ 328,831	\$ 475,430	\$ 610,676	\$ 588,249	\$ 647,331	\$ 824,241	\$ 568,094			
	Sum of PAID@100%	\$ 2,746,189	\$ 2,448,086	\$ 2,297,660	\$ 2,502,014	\$ 2,427,061	\$ 1,919,391	\$ 1,702,234	\$ 1,301,442	\$ 609,561	\$ 2,398,664	\$ 28,732,384	
<b>Outpatient</b>	Sum of PAID	\$ 582,860	\$ 625,016	\$ 519,634	\$ 643,339	\$ 601,389	\$ 588,192	\$ 584,929	\$ 460,803	\$ 138,918			
	Sum of IBNR	\$ 12,456	\$ 16,438	\$ 19,388	\$ 31,222	\$ 43,480	\$ 70,045	\$ 142,180	\$ 275,665	\$ 983,761			
	Sum of PAID@100%	\$ 595,316	\$ 641,453	\$ 539,022	\$ 674,562	\$ 644,869	\$ 658,238	\$ 727,109	\$ 736,468	\$ 1,122,679	\$ 663,058	\$ 7,731,804	

The following table shows the IBNR factor applied to claims through December 2025 to account for any missing claims activity for inpatient and outpatient activity under the Hospitals – Regular product line.

Lag (in Months)	Inpatient	Outpatient
0	7.13%	21.98%
1	42.75%	76.84%
2	58.58%	87.54%
3	66.41%	92.19%
4	72.89%	94.90%
5	79.22%	96.35%
6	84.52%	97.19%
7	86.78%	97.93%
8	88.47%	98.28%
9	90.58%	98.72%
10	91.92%	99.07%
11	92.75%	99.69%
12	93.09%	99.80%
13	93.90%	99.80%
14	94.70%	99.81%
15	95.88%	99.81%
16	96.54%	99.81%
17	97.04%	99.81%
18	98.65%	99.85%
19	99.40%	99.99%
20	99.77%	99.99%
21	99.87%	99.99%
22	99.91%	100.00%
23	100.00%	100.00%

For the Nursing and Hospice product line, total projected spend for the remaining six months of SFY 2025 is \$225.0 million, or \$37.5 million each month from January through June 2025.



	July	August	September	October	November	December	January	February	Monthly Average.	SFY 2025 Est.
<b>Hospice</b>										
Sum of PAID@100%	\$ 2,397,364	\$ 2,323,966	\$ 2,232,373	\$ 2,819,340	\$ 2,974,111	\$ 3,028,635	\$ 3,068,914	\$ 3,556,908	\$ 2,962,680	\$ 33,552,000
Sum of PAID	\$ 2,312,148	\$ 2,210,879	\$ 2,086,377	\$ 2,571,673	\$ 2,614,981	\$ 2,545,967	\$ 2,448,122	\$ 1,918,219		
Sum of IBNR	\$ 85,216	\$ 113,086	\$ 145,996	\$ 247,667	\$ 359,129	\$ 482,669	\$ 620,792	\$ 1,638,689		
<b>Nursing Home</b>										
Sum of PAID@100%	\$ 28,302,216	\$ 28,705,115	\$ 28,011,014	\$ 34,336,155	\$ 33,278,332	\$ 35,260,356	\$ 35,482,758	\$ 29,733,351	\$ 34,533,800	\$ 395,096,000
Sum of PAID	\$ 27,718,757	\$ 27,845,405	\$ 26,791,501	\$ 32,198,055	\$ 30,358,389	\$ 31,056,975	\$ 29,859,258	\$ 23,439,073		
Sum of IBNR	\$ 583,459	\$ 859,710	\$ 1,219,513	\$ 2,138,100	\$ 2,919,943	\$ 4,203,380	\$ 5,623,500	\$ 6,294,278		

The following table shows the IBNR factor applied to claims through December 2025 to account for any missing claims activity for inpatient and outpatient activity under the Nursing & Hospice product line.

Lag (in months)	Hospice	Nursing
1	53.9%	78.8%
2	79.8%	84.2%
3	84.1%	88.1%
4	87.9%	91.2%
5	91.2%	93.8%
6	93.5%	95.6%
7	95.1%	97.0%
8	96.4%	97.9%
9	97.6%	98.6%
10	98.3%	99.0%
11	98.9%	99.3%
12	99.3%	99.6%
13	99.4%	99.6%
14	99.4%	99.7%
15	99.5%	99.7%
16	99.6%	99.8%
17	99.6%	99.9%
18	99.7%	99.9%
19	99.8%	99.9%
20	99.8%	99.9%
21	99.9%	100.0%
22	100.0%	100.0%
23	100.0%	100.0%

**8. What is the percentage of the average commercial insurance rate gap which the State is using to make the hospital state directed payments?**

The SFY 2025 hospital SDP of \$281.0 million is 51.2% of the total maximum SDP of \$548.7 million. Further, the SFY 25 payment reduces the inpatient gap between Medicaid managed care and commercial insurance hospital payments: from 42.3% of the Average Commercial Rate (ACR) to 69.5% of the ACR and the outpatient gap from 59.6% ACR to 83.6% ACR. (A higher ACR implies a reduced gap between Medicaid and commercial reimbursement. The maximum SDP would bring Medicaid to 100% of the ACR.)

**9. Explain the increase in HCBS from \$11.9 million in Oct. 2025 to \$28.2 million Nov. 2025 in Attachment 6C.**



The increase is partly due to there being three financial payments cycles in the month of November versus two cycles in the month of October. Also, there was an increase in prior months activity submitted in November.

Below is a summary of expenditures by PAID MONTH as well as the month in which the services were incurred. The summary excludes PACE. In each month, EOHHS pays claims incurred in the current month, the prior month and for all historical months (due to claims lag). Most of the activity is for the immediately preceding month (i.e., “Paid in Prior Month”). It appears that in October, many providers did not submit claims for services provided during that month. They were likely holding onto those claims until the FFS rates in the system were updated. Therefore, in November, those held claims were paid along with a meaningful increase in current month activity.

	Jul	Aug	Sep	Oct	Nov	Dec
Total Paid in Month	\$9,637,220	\$17,112,940	\$12,242,365	\$9,814,987	\$25,331,534	\$16,123,802
Paid for Current Month	\$1,115,444	\$4,280,674	\$3,531,612	\$857,981	\$6,020,174	\$4,777,733
Paid for Prior Month	\$7,204,786	\$11,113,289	\$7,992,836	\$8,111,821	\$16,779,274	\$10,557,641
Paid for all other months	\$1,316,989	\$1,718,976	\$717,917	\$845,185	\$2,532,086	\$788,428

Please note that for purposes of Medicaid’s estimate, Medicaid considers claims’ expenditures on an incurred basis and not on a paid basis as reflected above.

- 10. Explain why the expenditures below are showing up in the 2003103/2009103 accounts. What are these payments and why are they going through these accounts? Is the DOH Payment reflected in the Gainwell monthly report. Are they intergovernmental transfers – IGT?**

**Screen shot sent to Medicaid to review**

Sum of Amount	Source	01	02	Grand Total
10/07/24	076 IGT PROCESS - CYCLE NUMBER 8; RA DATE 20241011	\$59,424	\$76,589	\$136,013
<b>10/07/24 Total</b>		<b>\$59,423.87</b>	<b>\$76,588.65</b>	<b>\$136,012.52</b>
11/25/24	BHDDH IGT PROCESS - CYCLE NUMBER 12; RA DATE 20241129	\$49,315	\$63,560	\$112,875
	DOH IGT PROCESS - CYCLE NUMBER 12; RA DATE 20241129	\$3,335,544	\$4,299,026	\$7,634,570
<b>11/25/24 Total</b>		<b>\$3,384,858.62</b>	<b>\$4,362,586.08</b>	<b>\$7,747,444.70</b>
<b>Grand Total</b>		<b>\$3,444,282</b>	<b>\$4,439,175</b>	<b>\$7,883,457</b>

The accounting team reviewed these transactions and noted that the journal description fields were incorrectly entered. The team inadvertently copied the journal descriptions from the IGT entries located above these entries in the Excel import file while preparing the import for RIFANS.

Specifically, the two BHDDH journal entries (i.e., “076 IGT PROCESS-“ and “BHDDH IGT PROCESS-“) were improperly labeled. They should have been labeled “CYCLE NUMBER 8; RA DATE 20241011.” These expenditures were for fund source “CF” which denotes Conflict Free Case Management (CFCM) and correctly hit the 2003103/2009103 line sequences. These are not



BHDDH expenditures. CFCM expenditures show up on the Home and Community Based Services line on the Monthly Medicaid Report sent to the Conferees.

The “DOH IGT PROCESS” journal entry was also improperly labeled. It should have been labeled “CYCLE NUMBER 12; RA DATE 20241129.” These are not RIDOH expenditures; rather they are for Fund Source 86 for home care payments and correctly hit the 2003103/2009103 accounts. Home care payments show up on the Home and Community Based Services line on the Monthly Medicaid Reports sent to the Conferees.

**11. Provide projected SFY 25 and SFY 26 CCBHC spending by product line.**

Except for Expansion as that is already at a rate exceeding the Enhanced FMAP rate, the below amounts are separately accounted for in the Agency’s May 2025 CEC - Workbook for purposes of GR/FF splits as the CCBHC spending is eligible for Enhanced FMAP.

Product Line	SFY 2025	SFY 2026
RC Core	17,648,418	24,329,419
RC CSHCN	4,520,221	6,450,776
RHP	32,730,825	45,674,707
Expansion	25,832,242	35,445,290
Other Services	35,975,000	52,000,000
Less TPL	-975,000	-3,000,000
Net Other Services	35,000,000	49,000,000
<b>Total</b>	<b>115,731,706</b>	<b>160,900,192</b>

**12. Can you provide any additional insight into the movement in the other practitioners FFS line item?**

The Other Practitioners line in “Other Services” was used to capture the below-the-line adjustment for sundry providers impacted by the OHIC rate review, suggest as non-BHDDH behavioral health providers and certain children behavioral health providers whose costs fall within either Managed Care FFS or Other FFS.

In Medicaid’s revised May CEC forecast, no below-the-line adjustment was made.

**13. Provide Excel versions of the hospital inpatient and outpatient days included in Medicaid’s responses to Conferee questions.**

Please see tab “Attch 3b” in Excel workbook provided April 21, 2025 entitled:  
 “4. May 2025 CEC - Workbook (CONFIDENTIAL WORKING DOCUMENT).xlsx”

**14. Provide the preliminary clawback multiplier for CY 2026 and it’s estimated impact on Medicaid’s estimate.**

Medicaid’s revised estimate for Clawback for SFY 2026 is \$96,400,000 based on the preliminary Part D multiplier estimates as reported by Federal Funds Information for States (FFIS) The



reduction is partly attributed to the increase in Rhode Island’s FMAP rate for FFY 2026. This reflects a reduction of \$2,300,000 compared to Medicaid’s original testimony of \$98.7 million. The lower multipliers were not incorporated into Rhode Island’s original estimate that was provided to the Conferees. The Clawback is 100% GR.

	Average Clients	Member Months	Composite PMPM	Amount
May 2025 CEC	39,203	470,436	\$209.81	\$98,630,658
Revised May 2025 CEC* <i>*with preliminary Multiplier</i>	39,203	470,436	\$204.73	\$96,312,362
Change	-	-	(\$5.08)	(\$2,389,815)

**From FFIS:**

April 18, 2025, “CY 2026 Clawback Estimates” (Issue Briefs 25-13) Internet: <https://ffis.org/issue-brief/cy-2026-clawback-estimates/>.

	CY 2025		CY 2026	
	Jan-Sept 2025	Oct-Dec 2025	Jan-Sept 2026	Oct-Dec 2026
Rhode Island	205.64	199.07	207.57	205.62

**15. Caseload update due to updated April managed care enrollment and information on closures pending for April 30, which will result in reduced enrollment in May. Medicaid carried-forward all underlying assumptions related to caseload trends and FFS spend and update strictly assumptions related to actual enrollment.**

Medicaid prepares its Monthly Enrollment Report during the first full week following the end of the prior month. To provide the conferees with timely information, this report was prepared a week early. Medicaid expects that at least 500 and as many as 1,000 clients will be given retroactive eligibility with approximately 500 enrolled in Managed Care. Most of these will be newborns retroactively added to Rite Care Core.

For April 2025, eligibility is flat (prior to adjustments for retroactively eligibility) with the increase thus far being eight clients. Enrollment in the managed care products is up by 1,531. Although an increase, it is less than the anticipated assumed in Medicaid’s forecast given April was not subject to routine closures related to income validation and redeterminations. In comparison, Medicaid assumed an increase of 3,106 in April—this figure was derived from the average monthly growth over the prior three months. (See **Figure II-1** on p. 9 of testimony and Attachment 5b).

The table below summarizes the growth in April, prior to any adjustment for retroactive assignment.

Change in **Managed Care Enrollment**, by Product



	Mar-25	No Longer Enrolled	Newly Enrolled	Apr-25	Apr-over- Mar Net Change	Apr-over- Mar Net Change %
RC Core	163,055	-1,963	2,235	163,327	272	0.2%
RC CSHCN	7,775	-126	187	7,836	61	0.8%
RC Substitute Care	1,972	-74	45	1,943	-29	-1.5%
Expansion	80,378	-1,581	2,922	81,719	1,341	1.7%
RHP	12,919	-241	174	12,852	-67	-0.5%
RHO II	11,056	-157	108	11,007	-49	-0.4%
PACE	428	-11	12	429	1	0.2%
Subtotal	277,583	-4,153	5,683	279,113	1,530	0.6%
Rite Smiles	137,184	-1,259	2,147	138,072	888	0.6%
NEMT	314,967	-3,170	5,331	317,128	2,161	0.7%

### Change in Medicaid Eligibility (inc. Managed Care/FFS), by Population

	Mar-25	No Longer Enrolled	Newly Enrolled	Apr-25	Apr-over-Mar Net Change	Apr-over-Mar Net Change %
<b>10.a Medicaid Eligibility, by Population:</b>						
Core	166,676	(1,762)	1,730	166,644	(32)	(0.0%)
Substitute Care	2,093	(85)	46	2,054	(39)	(1.9%)
Children with Special Healthcare Needs	9,181	(154)	171	9,198	17	0.2%
Expansion	85,119	(1,556)	1,563	85,126	7	0.0%
Aged, Blind, and Disabled	54,324	(425)	480	54,379	55	0.1%
<b>Total</b>	<b>317,609</b>	<b>(3,079)</b>	<b>3,087</b>	<b>317,617</b>	<b>8</b>	<b>0.0%</b>

Although caseload in April is less than forecasted, any potential savings associated with the reduced enrollment in April are likely to be modest because much (i.e., 75%) of the growth between January and April was already expected to be “cleaned up” between May and August as redetermination activities resumed. The lower enrollments in April means there should be an offsetting reduction of in the number of people disenrolled between May and August, with the number enrolled in September more-or-less consistent with Medicaid’s prior forecast.