



The Poverty Institute

at the Rhode Island College School of Social Work

Testimony on H-5112

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To Chairman Costantino and Members of the Finance Committee:

Thank you for the opportunity to testify today. As you know, The Poverty Institute has grave reservations about the new Global Waiver for a number of reasons, one of which is we all know so very little about the Governor and DHS's plan for programmatic changes in the Medicaid Program other than the Long Term Care proposals. We are therefore very supportive of this bill, which will ensure that – as DHS and the Governor have promised – the General Assembly will be partners in the decision-making. We also support the amendments that protect current beneficiaries of long term care – whether they reside in a facility or receive home and community based services – from more strict level of care determinations that could result in loss of services.

We have a few additional amendments to current law that we hope you will consider which primarily are directed at protecting the RItE Care program and the 120,000 children and parents who rely on RItE Care for comprehensive health care services. The RItE Care program is essentially comprised of four parts: (1) Expansion of income eligibility for children and pregnant women up to 250% FPL and for parents up to 175%; (2) Cost-sharing; (3) Scope of benefits; (4) Delivery system through a fully-capitated system whereby three managed care organizations provide all medically-related services for their members.

The Chairman and other Committee Members have expressed concern about retaining the RItE Care program as-is both while the Global Waiver is in effect and should the waiver be ended for any reason.

The amendments we propose address these concerns. To briefly summarize the amendments which are discussed in more detail in the attached document:

- Direct DHS to amend the Medicaid State plan to provide for expanded income eligibility for children and pregnant women up to 250% FPL and make a technical amendment to the state law which already directs DHS to include coverage for parents up to 175% FPL in the Medicaid State Plan. Including these populations in the Medicaid State Plan provides protection against cuts to eligibility and assures that should the Global Waiver end, this important part of RItE Care is maintained.
- (2) Amend state law to incorporate the current cost-sharing ceilings. The current rules are that cost-sharing for families with income between 133% and 150% FPL (\$23,408 - \$26,400 annually for a family of 3) can be no more than 3% of income and no more than 5% of income for families with income above 150% FPL. In addition, current rules provide that pregnant women and infants are exempt from

cost-sharing. This is to ensure that pregnant women have healthy pregnancies and that babies have a healthy first year of life. The Global Waiver allows higher cost-sharing for very low income families and while it exempts pregnant women from cost-sharing, infants are not protected. We have serious concerns about the current cost-sharing provisions since we know that in the first month in which the impact of the new premiums was recorded – over 900 RIte Care members lost eligibility – including over 600 children. This is three-times the average number under the old cost-sharing rules.

- The third proposed amendment pertains to benefits. While the statutory changes proposed under H-5112 would require DHS to obtain prior approval from the General Assembly for changes to the scope of benefits provided to children, we suggest an amendment to state law that will strengthen this intent and ensure that there are no cuts in benefits for children.
- Finally, regarding the RIte Care delivery system: We strongly support the provision of H-5112 that would revoke the authority given to DHS to pursue a primary care case management system for families participating in RIte Care. We propose that the General Assembly also make certain that the scope of services administered by the plans remain intact so that DHS cannot “carve out” services that the plans are currently responsible for, including, for example, prescription drugs and behavioral health services.

We also suggest including this same protection for the Rhody Health Program that provides comprehensive services to seniors and adults with disabilities through a managed care model.

Our last proposal is for the General Assembly to direct DHS to establish a Global Waiver Implementation Task Force with members representing all Medicaid-eligible populations (seniors, adults and children with disabilities, children and families) and including consumers, advocates and providers. The Task Force should also include representation from the different state agencies that administer Global Waiver programs. We envision this Task Force as a real working group with people who are ready to roll up their sleeves and partner with the Department of Human Services and other state agencies to achieve the goals of the waiver. We will provide proposed language for this Task Force shortly.

We commend the Chairman and Committee members for ensuring that changes to the Medicaid Program will be fully vetted by the General Assembly and trust that this process will include the opportunity for public input whether these changes are proposed through the budget process or through amendments to current legislation.

Thank you.