



# The Poverty Institute

at the Rhode Island College School of Social Work

Testimony on S-0053

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To Chairman DaPonte 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 proposal to rebalance long term care.

We applaud the Senate Finance Committee for proposing this legislation simultaneously with allowing the Global Waiver to go forward. Requiring that "Category II and III changes must first be approved by the General Assembly will ensure that – as DHS and the Governor have promised – the General Assembly will be partners in any revisions to the current program. We think it is good policy to have Category I changes reviewed by the permanent joint committee on the global waiver as proposed in this bill. 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 proposed amendments that we hope you will consider. These are directed primarily 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.

This bill addresses one of these concerns by amending 40-8.4-19 to enact in law the current cost-sharing limitations. Under present rules (and as enacted by the General Assembly last year), families with income between 133% and 150% FPL cannot be required to pay more than 3% of annual income and families with higher income are capped at 5%. Present rules also require that cost sharing does not apply to infants or to pregnant women and we suggest adding these protections to the law, as well. We suggest that 40-8.4-19(c) also include language to exempt these two group from cost-sharing.

We also suggest repealing subsection (d) of 40-8.9-19 which authorizes additional cost sharing for children and families (Strike lines 15 – 18 on p. 8)

Regarding preservation of the current RItE Care delivery system, S-0053 does not go far enough. The bill proposes to amend 40-8.4-19(a) by limiting the authorization to implement a primary care case management system to adults and not for children. We suggest that the authority to implement a PCCM model for RItE Care participants be fully revoked. (Strike lines 22-26 on p. 7) We also propose adding the following language to ensure that the scope of services currently delivered by the managed care plans be maintained: The scope of services administered by the managed care organizations under this chapter or chapter 12.3 of title 42 shall not be less than the scope of services administered on November 1, 2008.

As regards benefits provided through RItE Care, S-0053, amends the law to require DHS to seek legislative approval to change the benefit package for adults. We suggest that the authorization to provide restricted benefits be revoked. (Strike lines 19 – 23 on p. 8) We also propose that the following language be added to the bill to ensure that there will be no cut-back in the benefits provided to children: The amount, scope and duration of benefits provided to children under age 19 pursuant to this chapter or chapter 12.3 of title 42 shall be no less than the amount, scope and duration of benefits as provided on November 1, 2008.

We also recommend striking the authorizing language for “consumer directed health care accounts” (lines 24-29, p. 8).

Finally as pertains to RItE Care, we propose amendments to sections of law that are not included in S-0053 which would ensure that the income eligibility standards for children, parents and pregnant women are protected. (See attached)

For those parts of the law pertaining to elders and people with disabilities we have the following suggestions. First that the law be amended to ensure that the scope of services provided to seniors and people with disabilities through the Rhode Health Plan managed care plan be preserved by adding the following language at Section 40-8.5-1.1: “ The scope of services administered by the managed care organizations under this chapter through Rhody Health Partners shall not be less than the scope of services administered on November 1, 2008.” Second, that the language authorizing DHS to redesign the benefit packages for seniors and adults with disabilities be repealed (strike lines 10 – 12 and lines 21 – 23 on p. 9). Third, revoke the authority to implement competitive value-based purchasing (strike lines 32-34 on p. 9 and lines 10 – 7 on p. 10).

Finally, we ask that the General Assembly direct DHS and EOHHS 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 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.