State of Rhode Island Office of the Health Insurance Commissioner
Social and Human Service Programs Review Advisory Council
Meeting Minutes
March 23, 2023
10:00 A.M. to 11:00 A.M.

Attendance

Members:

Co-Chair Commissioner Cory King, Co-Chair Elena Nicolella, Co-Chair Sam Salganik, Beth Bixby, Garry Bliss, Margaret Holland McDuff, Linda Katz, Tanja Kubas-Meyer, Maureen Maigret, Carrie Miranda, Nicholas Oliver, Laurie-Marie Pisciotta, Lisa Tomasso (on behalf of Teresa Paiva Weed), John Tassoni

Rhode Island Office of the Health Insurance Commissioner Staff:

Josh Estrella, Molly McCloskey

Unable to attend:

James Nyberg

Minutes

1. Call to Order

Commissioner King called the meeting to order.

2. Review of March 1, 2023 Meeting Minutes

The council approved the March 1, 2023 meeting minutes.

3. OHIC Social and Human Service Programs Review Updates

Commissioner King announced that on March 31st, OHIC will submit to the Governor and the General Assembly, "an assessment and detail reporting on social and human services program rates, including rates currently being paid and the date of the last increase", which is the first statutory deliverable under § 42-14.5-3(t). This will be a comprehensive report that intends to capture the full universe of in-scope Medicaid and non-Medicaid services. The commissioner will be submitting a letter to leadership of the General Assembly informing them to expect the report, as well as advising them on the decisions he has made around how OHIC is going to structure the timing for future deliverables. As part of that phased approach, OHIC is going to aim to have deliverables 2-9 produced and delivered in May for phase 1. A second phase allows for an iterative approach and that will allow for OHIC to correct anything that was inadvertently missed and will allow for stakeholder input. The commissioner asked for the advisory council to share feedback on the report, and any necessary updates can be made in the second phase.

4. Vendor Presentation and Discussion

The commissioner introduced the Milliman team, who were visiting in person. The Milliman team presented on the project's programmatic workstream, finance workstream, and described the complex benchmarking process. The presentation slides can be viewed **here**.

Natalie Angel (Milliman) began presenting on the programmatic workstream. She explained that some of the deliverables will have a different structure for phase 1 and phase 2. In the programmatic workstream, phase 1 will tend to be educational by summarizing and fully exploring the scope of each programmatic deliverable. For example, providing a description of what eligibility standards exist for services/programs

in RI. Phase 2 will provide a more in-depth evaluation and assessment. For example, addressing questions like, “how does RI’s eligibility standards compare to other states in the region?”

The advisory council began a discussion about eligibility standards and processes. Margaret Holland McDuff stated that she thought that the deliverable pertaining to eligibility was intended to focus on eligibility for specific programs because an inventory of that doesn’t currently exist. This will allow us to identify if there are gaps and whether RI meets all the federal standards and requirements.

Commissioner King decided that for the sake of time, ad hoc meetings on the programmatic workstream could be scheduled between Milliman and the advisory council members as needed to discuss the programmatic task in more detail.

Natalie then reviewed the reports for each task in the programmatic workstream.

Regarding task 4 – an assessment and detailed reporting on the 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. The first phase report will summarize which programs sit in which departments, which populations are in each program, how are people enrolled into such programs, and how providers are licensed. The report will describe the structure of the relationship between the department and the providers that provide services for them. Phase 2 will identify any abnormalities outside normal benchmarks and may look at what other states are doing in the region. If there are issues identified, the report may include some best practices from other states.

Natalie went on to describe task 5 – an assessment and detailed reporting on accountability standards for services for all social and human service programs. These reports will provide an inventory of known points of accountability for state programs. This will be done by describing federal oversight and reporting, state regulations reporting and advisory councils, and internal audits.

Natalie discussed task 6 – an assessment and detailed reporting on all professional licensed and unlicensed personnel requirements for established rates for social and human service programs pursuant to a contract or established fee schedule. This report will be assessing whether the staffing and licensure requirements line up with rates and standards around the country.

Regarding task 7 – an assessment and reporting on access to social and human service programs, to include any wait lists and length of time on wait lists, in each service category – these reports will look at both formal waitlists that the state maintains and provider capacity issues. The report will focus on a subset of services that advisory council members talked about as having access issues. Faulkner Consulting Group will be helping Milliman with this report. Phase 1 will list the scope and it will also detail the evaluation and assessment approach that will be taken in phase 2.

Carrie Miranda stated that “provider capacity issues”, which was listed on the slide 5, feels like a half statement. She said that, as a provider, she feels that when “provider capacity issues” are referred to in a discussion pertaining to access, it doesn’t capture that capacity is always linked to funding issues. Natalie suggested changing the wording to “drivers of capacity issues”, which council members agreed to.

Before the presentation moved to a discussion about the finance workstream, the commissioner reminded everyone that at the last meeting the group discussed independent rate models (IRMs), which are ground-up rate builds. IRMs are resource intensive, and OHIC does not have the resources to run an

IRM on every service, in part, because of the other mandated reports that OHIC is required to produce (i.e., reports on eligibility, access, etc.) The commissioner stated his rate adjustment recommendations will need to be based on data. IRMs, benchmarking, and other data sources will be used to inform such recommendations. Today, Milliman will discuss the complexities of the benchmarking process.

Ian McCulla (Milliman) began presenting on the finance workstream. Ian provided a status update (slide 7). Phase 1 of report 1 will be completed by the end of the month. Phase 2 of report 1 will incorporate stakeholder feedback. Regarding the remaining three finance tasks (reporting on utilization trends, comparing regional Medicaid rates to RI's rates, and reporting on usual and customary rates paid by private insurers), Milliman is being cognizant of using resources wisely to provide data on as many services as possible within the constraints of the project. Milliman will be reviewing a different number of services for the different tasks depending on the resources required to do that task. For the utilization task, phase 1 will include all Medicaid covered services for which Milliman has a ready-to-go data set. For non-Medicaid services, the data is not readily available, so Milliman will develop separate data requests, which will give them information to incorporate into phase 2 of that report.

Sam Salganik asked if Milliman will be including Medicaid managed care data in the utilization report. Ian replied that they will be doing their best to include that information in the phase 1 utilization report. However, there are some data limitations that may prohibit Milliman from fully incorporating that information. They will be working on that over the next few weeks. The Medicaid managed care data will not be included in phase 1 of the first task's report. That report will be a list of fee-for-service reimbursement rates. Milliman is hoping to incorporate managed care information in phase 2 of the first report.

The commissioner stated that his preference is to include as much managed care organization (MCO) data as possible from a utilization and benchmarking perspective. He wants to make sure that people understand that the way that Rhode Island has chosen to finance Medicaid services is largely through managed care. He stated that he is responsible to proactively communicate this complexity.

Margaret asked about how task 9 – an assessment and reporting on usual and customary rates paid by private insurers and private pay for similar social and human service providers, both nationally and regionally – will be interpreted. The commissioner responded that, assuming that we can get the information and there aren't state contractual provisions limiting it, the average MCO rates paid will be included in that report.

Ian explained that tasks 8 and 9 include the benchmarking exercises to various payers, and there are challenges with conducting such exercises. The next few slides (8-11) review some of the manual adjustments that need to be considered when doing benchmarking. It is not as easy as pulling Massachusetts's fee schedule and RI's fee schedule and putting them side-by-side. There are many considerations, so we are selecting a limited set of services to perform that benchmarking on in phase 1. In phase 2 we will broaden that scope of services as much as is feasible.

Ian explained that when doing fee schedule benchmarking, comparing the Medicaid FFS rate to other payer rates, there are two primary components that need to be considered. The first consideration is the service delivery requirements, and the second is the reimbursement structure (e.g., how is that service paid for, differences in provider credentialing requirements, the setting of care, whether certain evidence-based practices are required, etc.) We will need to understand if Massachusetts is paying more or less for a certain service, if it is really the same service or is it a similar service with various levels of requirements?

Milliman will need to deeply understand all of that to benchmark two services together between different payers. The other consideration is the reimbursement structure – states don't pay for services in the same way. There could be many differences (e.g., rates could be paid in different time increments). There might also be difference in how rate structures are set up – are different providers billing different rates for the same service, or is it an aggregate rate regardless of the provider type? Are there different rates for client acuity? Are there staff ratio differences? All of these differences in payment need to be understood, and to the extent that there are differences, they need to be normalized to get as close as possible to an apples-to-apples comparison.

John Kasey (Milliman) reviewed three examples that illustrated the complexities of benchmarking (slides 9-11).

The commissioner stated that, by law, the commissioner is going to be required to take this information and produce recommended rate adjustments for delivery to EOHHS. There's a lot of complexity, and the commissioner can't simply make recommendations based on feelings or suppositions. The recommendations must reference data, which is why we are looking at running an IRM on some services, and we are working with you all to determine where we will run those in terms of the highest priority services. We will also be looking at benchmarks and other ways that we can bring data into this process. The commissioner stated that this project is the most complex scope of work that OHIC has ever undertaken, and we are going to need advisory council and other stakeholder continued engagement to get through it. The commissioner said that he is also thinking about how we might be able to improve the social and human service programs review process.

Nicholas Oliver stated that it is worth noting that there are licensure requirements for providers, professionals, and paraprofessional that may vary between states. Therefore, it may not be a direct comparison. There are very different workforce models for homecare across different states, even with RI's direct neighbors. He stated that he wanted to make sure that that will be factored into this analysis. The commissioner agreed that those are some of the complexities Milliman is going to have to sort through as they establish normalized comparisons.

Margaret asked the commissioner to let the advisory council know if there are any changes to the law that he would recommend. The goal of such recommendations would be to make the law more workable and reasonable while setting up a long-term rate review system that maintains the intent of the original law.

5. Public Comment

Vinny Ward, Home Care Services of RI, stated that there was a $10/hour increase to private duty nursing in 2017, which makes it look like the state has done a lot more for rate increase than it has. From 2009-2017 they did not receive any rate increases.

Linda Katz stated that the state is still building back from the cuts that happened during the great recession.

6. Adjournment