

2015 -- H 5718

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

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A N A C T

RELATING TO HUMAN SERVICES -- LONG-TERM MANAGED CARE
ARRANGEMENTS

Introduced By: Representatives Lima, and Serpa

Date Introduced: February 26, 2015

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 40-8.13-5 of the General Laws in Chapter 40-8.13 entitled "Long-
2 Term Managed Care Arrangements" is hereby amended to read as follows:

3 **40-8.13-5. Financial savings under managed care.** -- To the extent that financial
4 savings are a goal under any managed long-term care arrangement, it is the intent of the
5 legislature to achieve such savings through administrative efficiencies, care coordination, and
6 improvements in care outcomes, rather than through reduced reimbursement rates to providers.
7 Therefore, any managed long-term care arrangement shall include a requirement that the
8 managed care organization reimburse providers for services in accordance with the following:

9 (1) For a duals demonstration project, the managed care organization:

10 (i) Shall not combine the rates of payment for post-acute skilled and rehabilitation care
11 provided by a nursing facility and long-term and chronic care provided by a nursing facility in
12 order to establish a single payment rate for dual eligible beneficiaries requiring skilled nursing
13 services;

14 (ii) Shall pay nursing facilities providing post-acute skilled and rehabilitation care or
15 long-term and chronic care rates that reflect the different level of services and intensity required
16 to provide these services; and

17 (iii) For purposes of determining the appropriate rate for the type of care identified in
18 subsection (1)(ii) of this section, the managed care organization shall pay no less than the rates

1 which would be paid for that care under traditional Medicare and Rhode Island Medicaid for
2 these service types.

3 The state shall not enter into any agreement with a managed care organization in
4 connection with a duals demonstration project unless that agreement conforms to this section, and
5 any existing such agreement shall be amended as necessary to conform to this subsection.

6 (2) For a managed long-term care arrangement that is not a duals demonstration project,
7 the managed care organization shall reimburse providers in an ~~amount~~ not less than the ~~rate~~
8 amount that would be paid for the same care by EOHHS under the Medicaid program. The
9 managed care organization shall not, however, be required to use the same payment methodology
10 as EOHHS.

11 (3) Notwithstanding any provisions of the general or public laws to the contrary, the
12 protections of subsections (1) and (2) of this section may be waived by a nursing facility in the
13 event it elects to accept a payment model developed jointly by the managed care organization and
14 skilled nursing facilities, that is intended to promote quality of care and cost effectiveness,
15 including, but not limited to, bundled payment initiatives, value-based purchasing arrangements,
16 gainsharing, and similar models.

17 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
RELATING TO HUMAN SERVICES -- LONG-TERM MANAGED CARE
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1 This act would provide a payment methodology for managed care organizations engaged
2 in a duals demonstration project providing post-acute skilled and rehabilitative care or long-term
3 chronic care.

4 This act would take effect upon passage.

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