

March 27, 2019

Medicaid Director, Patrick Tigue
c/o Libby Bünzli
Medicaid Policy Office
RI Executive Office of Health and Human Services
Three West Road
Cranston, RI 02920

Dear Director Tigue:

Neighborhood Health Plan of Rhode Island (Neighborhood) appreciates the opportunity to provide comments to the Rhode Island Executive Office of Health and Human Services (EOHHS) concerning the policy statements directed at Rhode's Islands Managed Care and Accountable Entities (AE) programs.

The Health System Transformation Program is built on the strength and flexibility of the Medicaid managed care organizations (MCOs) in Rhode Island. The MCOs have worked closely with EOHHS for over 25 years to build new resource, and control cost growth in the Medicaid program. The result is a nationally recognized program for its quality, and a program that has consistently delivered decreases in per member per month cost.

Neighborhood has been an active and positive partner with EOHHS and with each Accountable Entity during the Pilot Phase to present. Neighborhood has contracted with five AEs resulting in nearly 70% of our Medicaid membership served through these new value-based arrangements. Neighborhood has committed substantial resources in both direct staff and infrastructure to support the AE Program.

Neighborhood has significant concerns that many components of the recently released Policy Statements will undermine the progress and impact of the AE program. The AE program is still in the "demonstration" period as Program Year 1 changes are managed, implemented and tested by each AE.

- **Recommendation:** maintain current program requirements associated with the AE Program through the end of HSTP program period. Take time to let the AE program mature and learn from evaluation findings before making substantive changes such as those proposed in the policy statements.

Neighborhood is requesting a discussion with EOHHS to understand the overall impact of these policies to the strategic direction of the Medicaid Managed Care program and commitment to the State's very successful MCO model. In particular, the proposed changes to member assignment are not aligned with the CMS AE Road Map and the 1115 Waiver.

- **Recommendation:** EOHHS to consider the Policy Statements as draft. Allow for a public process to fully explain EOHHS's change in strategic direction incorporating MCO, AE and stakeholder feedback before finalizing. The three policy statements do not provide a clear, full picture of the desired direction of the Medicaid program, and as currently presented represent steps that could undue the tremendous success of RI's MCO model. Specific comments and concerns on the Policy Statements are provided below in order of greatest concern:
 1. **Member Assignment Related to Accountable Entities**

Neighborhood strongly objects to the proposed policy. The policy is inconsistent with the AE program requirements and CMS AE Roadmap allowing members full access to the MCOs network. The draft policy will be extremely disruptive to members as they are unwittingly switched another MCO. Neighborhood's experience is that members have little recognition or visibility to the AE affiliation of their primary care provider. The Managed Care program is structured and implemented for members to select their MCO. Neighborhood has a dedicated and enthusiastically loyal membership as demonstrated by our Excellent Net Promotor Score and our recent open enrollment experience.

Neighborhood is concerned the proposed Assignment policy will create unintended consequences in the marketplace. Allowing provider groups to negotiate rate increases and threaten removal of their patients to a competing MCO will result in patients facing new provider networks without considering the entirety of member's needs, damaging continuity of care.

Current policy allows members without cause the opportunity to transition MCO should their existing provider leave their MCO network.

- **Recommendation:** Maintain the current options available to members to switch MCOs and PCPs based on their personal choice and will.

2. Delegation to Accountable Entities Policy Statement

Neighborhood supports the development of strong provider-based care management and the removal of unnecessary duplication. We appreciate EOHHS' consideration of no "one size fits all" approach. Neighborhood has worked closely with the AEs during the Pilot Period and in PY 1 to form a collaborative model for Care Management. Moving the AEs too quickly to delegation will not benefit patients and will put the AEs and their providers at undo risk. The requirements of delegation including EOHHS defined activities and NCQA standards will need to be carried out by the AEs. MCOs will need to develop robust capacity to oversee full delegation of care management to comply with state and federal requirements and to maintain national accreditation.

It is essential to maintain the current primary care capacity in Rhode Island. In particular, the Community Health Centers are among the most advanced Medicaid providers and AEs in the state who also serve our most vulnerable members, and will need time to prepare and invest in the systems needed to manage fully delegated care management.

- **Recommendation:** Maintain current program requirements associated with care management through the end of HSTP program period, adopting a policy that encourages but does not require care management delegation.

3. Managed Care Organization and Accountable Entity Risk Adjustment

Neighborhood is supportive of applying a robust risk adjustment methodology to MCO capitation. We are particularly supportive in concept of incorporating social determinants of health (SDOH) that are of pivotal impact to a member's use of services. Neighborhood has experience in this area; we are piloting a program to identify SDOH risk factors using external data sources.

We caution EOHHS to fully test these methodologies before deploying, because the identification of SDOH is a new concept in health care and does not yet have precise application. It is essential this policy be deployed in a way to avoid destabilizing the important primary care capacity created by Rhode Island's Community Health Centers. The Community Health Centers are serving the majority of Medicaid AE lives and any action needs to be considered in light of maintaining their financial health and patient access.

- **Recommendation:** Use a phased approach to both risk as well as rate setting that ensures Neighborhood and our AE partners have sufficient reserves and experience to succeed. We advise caution so as avoid undermining and destabilizing primary care capacity.

Neighborhood is supportive of moving towards new models of collaboration with our safety net providers, but believes some of the recent policies, in particular the change in policy around member assignment, pose an immediate threat to the stability of the Medicaid Managed Care program. As a steward of our member's health and safety as well as taxpayer dollars, we respectfully request this policy be reconsidered. Neighborhood welcomes further dialog with EOHHS to discuss reasonable modifications best suited to the Rhode Island Medicaid program and the key providers that have served as the backbone of our health system in the State.

Please contact me at (401) 459-6161 or dburnett@nhpri.org with any questions regarding these comments. Thank you for your consideration.

Sincerely,

David Burnett
Chief Growth Officer
Neighborhood Health Plan of Rhode Island