State of Rhode Island Executive Office of Health and Human Services
3 West Road, Virks Building, Cranston, RI 02920
phone: 401.462.5274 fax: 401.462.3677

State of Rhode Island Medicaid Program Managed Care Organization Delegation to Accountable Entities Policy Statement

Introduction

The State of Rhode Island Executive Office of Health and Human Services (EOHHS) is making available this policy statement addressing delegation of functions from Managed Care Organizations (MCOs) to Accountable Entities (AEs). As AEs mature, EOHHS anticipates an increasing level of partnership between MCOs and AEs, making the issue of delegation a critical one for the future of the Rhode Island Medicaid market. EOHHS will further effectuate provisions of this policy statement through MCO contract amendments and Health System Transformation Project requirements documents as needed.

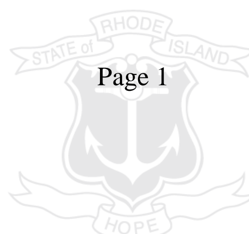
Policy Statement

As the AEs mature, EOHHS expects an increasing level of collaboration and coordination between MCOs and AEs. While EOHHS anticipates that it will continue for the foreseeable future to contract with MCOs for certain functions, it also anticipates that a high functioning AE may develop capacities to implement other functions that have typically been the responsibility of the MCO. It is the expectation of EOHHS that the appropriate and respective roles of the AE and MCO should be built on each entity's respective strengths and that efforts shall be taken to clearly delineate respective functions to minimize unnecessary duplication, improve efficiency, and prioritize high-quality, patient-centered care.

It should be noted that, consistent with federal requirements, EOHHS acknowledges that the MCO is ultimately accountable for any function it delegates to a sub-contractor. EOHHS also acknowledges that each certified AE has unique characteristics and specific strengths. In many cases, a "one size fits all" approach to delegation may not be appropriate and—to some extent—the determination of which functions should be subject to delegation is best resolved through negotiation between an MCO and an AE.

However, unnecessary duplication is not acceptable. In particular, EOHHS notes that—given the advancements in primary care transformation in Rhode Island—the AE certification standards focus on integrated care and population health improvement and that in the continued MCO provision of care management, there exists a level of inherent duplication and fragmentation. It is the view of EOHHS, therefore, that the existing foundation of care management at the provider level should be expanded upon and that the current duplication contributes to confusion to beneficiaries, diffusion of accountability, and unnecessary administrative expense.

For these reasons, EOHHS will take the following measures:



1. **MCO Care Management Delegation:** Starting July 1, 2019, EOHHS will, in dialogue with the MCOs and the AEs, move toward requiring MCOs to delegate care management functions to contracted AEs, without duplication. It is not the expectation that full delegation requirements be in place by this date. MCOs are expected to support their AE partners in delivering high-quality care management by exercising oversight of AEs, facilitating high-risk patient identification, and sharing data. This approach will reduce the duplication and fragmentation of care management that exists today and instead focus resources on strengthening care management that is delivered at the primary care level.

   EOHHS acknowledges the operational and financial complexities of achieving this shift in accountability for care management functions. Therefore, EOHHS commits to engaging MCOs, AEs, and other interested parties in developing a clear and consistent definition of care management, identifying distinct roles and expectations of contracted and subcontracted parties, and defining parameters for delegation.

2. **MCO Other Functions Delegation:** Starting July 1, 2019, EOHHS will, in dialogue with the MCOs and the AEs, actively encourage and entertain proposals from AEs and MCOs to delegate other MCO functions to AEs. EOHHS expects that such proposals will, if approved, be granted for a period of one year and reevaluated annually thereafter, having as a minimum condition of approval full compliance with all otherwise applicable federal and state requirements.

Conclusion

The policies outlined above further the strategic objectives for AEs, particularly by promoting efficiency and patient-centered care. EOHHS will monitor the effects of these policies through existing MCO and AE oversight structures.