

# FY25 Medicaid Reimbursement Rate Implementation



## Overview and Updates

The Rhode Island Executive Office of Health and Human Services (EOHHS) and Rhode Island Medicaid are in the process of implementing updated reimbursement rates that are scheduled to go into effect on October 1, 2024, including:

- Recommendations from the fiscal year 2025 (FY25) Office of the Health Insurance Commissioner (OHIC) Rate Review
- Nursing Home Rate Increase
- New Rates for CCBHC Implementation

When the State revises its Medicaid fee schedule or reimbursement rates, the Medicaid Program coordinates necessary updates to relevant systems, contracts, and policies with its managed-care organizations (MCOs), federal partners, and providers.

**Here is an overview of the process that must happen for each rate increase:**

**Activity 1:** Rate Analysis and Planning

**Activity 2:** Securing Federal Authority

**Activity 3:** Provider Engagement

**Activity 4:** Provider Contracts

**Activity 5.1:** MCO System Configuration

**Activity 5.2:** Claims Testing and Validation

**Activity 6:** Provider Training, Support, & Continued Oversight

**Activity 7:** Updates to Electronic Visit Verification (EVV)

**Q: What is the timeline for implementing the new reimbursement rates?**

**A:** The FY25 OHIC rate review represents the largest rate increase in the history of the RI Medicaid program and includes unprecedented changes to the fee schedule. Providers will be paid at the newly approved rates for any services performed on/after October 1, 2024. Providers can anticipate increased payments for these services consistent with their typical claim submission and payment cycles. As such, the increased payments may be processed 30 to 90 days (or more) after service is rendered by medical professional. It is also important to note that the State must wait for federal approval before implementing increased rates. Any delay in authority or implementation will be retroactively updated so that providers are paid at the appropriate rate. The State has already received federal approval for implementing updated reimbursement rates for CCBHCs and nursing homes on October 1, 2024.

**Q: What is the State doing to communicate with MCOs and providers about the rate increases?**

**A:** The State is committed to communicating with MCOs and providers--as well as advocates, legislators, and the public at large--about the rate increases in a transparent and thoughtful way. EOHHS and Medicaid are using the following methods to share information:

- Web page with rate sheets and answers to frequently asked questions
- Weekly meetings to answer questions and support plan implementation
- E-blasts to Medicaid providers and MCOs

## Stay Up to Date as this Project Progresses

For more information about upcoming rate implementations, **please visit** [eohhs.ri.gov/FY25-Medicaid-Rates](https://eohhs.ri.gov/FY25-Medicaid-Rates). For information about the CCBHC initiative and implementation, **please visit** [eohhs.ri.gov/initiatives/certified-community-behavioral-health-clinics-ccbhc](https://eohhs.ri.gov/initiatives/certified-community-behavioral-health-clinics-ccbhc). These web pages will be updated regularly.