

**STATE OF RHODE ISLAND
EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES**

**6/18/26 PUBLIC NOTICE OF PROPOSED AMENDMENT TO RHODE ISLAND
MEDICAID STATE PLAN**

In accordance Rhode Island General Laws 42-35, notice is hereby given that the Executive Office of Health and Human Services (EOHHS) proposes to make the following amendment to the Rhode Island State Plan under Title XIX of the Social Security Act:

Recovery Audit Contractors (RAC) Exemption

EOHHS is proposing to submit an amendment to the Medicaid State Plan. This amendment proposes to extend the current exemption to the Recovery Audit Contractors (RACs) requirement to have a vendor that identifies and corrects improper Medicaid payments through the collection of overpayments and reimbursement of underpayments.

The proposed effective date of this change is August 5, 2026. This is not expected to have any financial impact on annual expenditures.

This proposed amendment is accessible on the EOHHS website (www.eohhs.ri.gov) or available in hard copy upon request (401-462-1501 or RI Relay, dial 711). Interested persons should submit data, views, or written comments by **July 18, 2026** to OHHS Policy, Executive Office of Health and Human Services, 3 West Rd, Cranston, RI, 02920, or OHHS.Policy@ohhs.ri.gov or via phone at (401) 462-2598.

In accordance with the Rhode Island General Laws 42-35-3, an oral hearing will be granted on the proposed State Plan Amendment if requested by twenty-five (25) persons, a state agency, or by an association having at least twenty-five (25) members. A request for an oral hearing must be made within thirty (30) days of this notice.

The Executive Office of Health and Human Services does not discriminate against individuals based on race, color, national origin, sex, gender identity or expression, sexual orientation, religious belief, political belief, or handicap in acceptance for or provision of services or employment in its programs or activities.

Original signed by Richard Charest, Secretary, Rhode Island Executive Office of Health and Human Services

Signed this 16th day of June, 2026

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: Rhode Island

4.5b Medicaid Recovery Audit Contractor Program

Citation	
Section 1902(a)(42)(B)(i) of the Social Security Act	<u> </u> The State has established a program under which it will contract with one or more recovery audit contractors (RACs) for the purpose of identifying underpayments and overpayments of Medicaid claims under the State plan and under any waiver of the State plan. <u> X </u> The State is seeking an exception to establishing such program for the following reasons: • The State has an approved RAC waiver effective August 5, 2024 to August 4, 2026. • The last RAC contractor found few recoveries during two years of review. Based upon the small recovery, the contractor elected not to exercise the two option years under the contract • The state's Managed Care population makes up approximately 90% of all Medicaid enrollees, therefore it is not cost beneficial for auditing firms to submit bids. • EOHHS has pre- and post- payment automated review mechanisms and audit controls to prevent and detect improper payments. • Several federal and state agencies conduct periodic reviews of the Medicaid eligibility systems, the claims processing function, and the Program Integrity unit. • EOHHS has enhanced the Medicaid agency's Program Integrity Unit to strengthen audit capacity and improve recoveries. Enhancements include: ○ Hiring additional staff ○ Improving overall PI processes ○ Implementing Surveillance and Utilization Review Systems with extended capabilities utilizing third party software applications • The state is requesting an extension of the exemption from establishing a Medicaid RAC program, effective August 5, 2026 through August 4, 2028.

TN No: 26-00XX
Supersedes
TN No: 24-0020

Approval Date: _____

Effective Date: August 5, 2026