

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

**3/24/20 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:

Eleanor Slater Hospital

EOHHS is proposing to submit an amendment to the Medicaid State Plan. This amendment will codify the existing cost-based payment method for Eleanor Slater Hospital.

The proposed effective date of this change is March 25, 2020. This is not expected to have any financial impact to annual expenditures.

This proposed amendment is accessible on the EOHHS website (www.eohhs.ri.gov) or available in hard copy upon request (401-462-6348 or RI Relay, dial 711). Interested persons should submit data, views, or written comments by April 23, 2020 to Gretchen Bell, Executive Office of Health and Human Services, 3 West Rd, Cranston, RI, 02920, or Gretchen.Bell@ohhs.ri.gov.

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, an 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.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE: Rhode Island

updated as of July 1, 2017:

<http://www.eohhs.ri.gov/ProvidersPartners/GeneralInformation/ProviderDirectories/Hospitals.aspx>.

Payment for inpatient hospital care provided by government-owned and -operated hospitals will be paid on a cost basis as follows:

a. Cost-Based Payment

Providers will be reimbursed using interim rates for inpatient hospital services, which will be established using cost reports for the prior fiscal year. This reimbursement, as part of a cost-based methodology, will include an annual cost report and a reconciled settlement. On an annual basis, a cost reconciliation and cost settlement will be processed for all over and under payments.

Inpatient hospital service costs included on the cost report will only include those personnel and non-personnel costs associated with the Medicaid service. The expenditures identified in the cost report include the following:

1. All applicable Medicaid eligible clinical services, including pharmacy costs
2. All Personnel costs
3. Capital and related costs associated with the hospital

The interim cost-based reimbursement rate will be calculated by dividing the total sum of the personnel and non-personnel costs associated with the inpatient hospital services by the projected number of inpatient days. At the end of each fiscal year, EOHHS will conduct a reconciliation using actual costs and actual inpatient days to ensure that the hospital is paid appropriately.

b. Prior Authorizations

All admissions require prior authorization, however prior authorization of the length of stay is not required.

c. Medicare and other Third-Party Liability

The provider will allocate a reduced reimbursement rate for persons with Medicare, and/ or with other Third-Party Liability (TPL) on the cost report.

d. Annual review

EOHHS will review the cost-based payment method at least annually, making updates as appropriate through the state plan amendment process.

e. Posted information

Hospitals, beneficiaries and other interested parties can find current interim rates on the Executive Office of Health and Human Services website:

<http://www.eohhs.ri.gov/ProvidersPartners/GeneralInformation/ProviderDirectories/Hospitals.aspx>.