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May 29, 2024

Honorable Marvin L. Abney, Chairman House Committee on Finance State House Providence, Rhode Island 02903

RE: House Bill 2024-7895 - Relating to Human Services - Medical Assistance

Dear Chairman Abney:

Please accept this letter of concern regarding 2024 H-7895, An Act Relating to Human Services – Medical Assistance. If passed, this legislation could carry out some unintended consequences.

It appears that the primary intent of the bill is to codify the Katie Beckett program under RI General Law. In most respects, the bill does not change anything from the information already captured in the state plan and EOHHS regulations. However, I would like to identify particular language in the legislation that would be problematic to certain families who rely on the program.

Notably, there is already an existing process for Katie Beckett participants to request more service hours through their case managers. The bill is consistent with current regulations and federal rules on eligibility that do not allow the cost of services delivered under Katie Beckett to exceed that of an institution. However, the bill's requirement that any increase in service hours be capped at 10% (assuming the resulting cost is lower than institutional care) would be a change to existing practice. This strict cap is likely not permitted under federal EPSDT (Early, Periodic, Screening, Diagnosis, and Treatment) rules. Further, if Rhode Island disallowed service increases over 10% and that denial caused a child to go into an institution unnecessarily, that would increase costs and be counter-productive to the objectives of the program when it was created decades ago.

Medicaid staff recognizes the possibility that the bill's intent is to require automatic approval of any request for more service hours, so long as the increase is under 10% and does not cause total costs to exceed institutional costs. However, this would have the potential to increase costs substantially without a meaningful improvement in access to services, considering that there is an existing, individualized process by which more hours may be requested based on a child's changing needs.

We would welcome any discussion about H-7895, and staff are available to assist with any questions or concerns.

Sincerely.

Kustin Sousa

Kristin Sousa, Medicaid Program Director

Executive Office of Health and Human Services

CC: Honorable Members of the House Committee on Finance

Honorable Leonela Felix

Nicole McCarty, Esq., Chief Legal Counsel to the Speaker of the House