

A proposal: RIte Care Expansion, the Basic Health Program in Rhode Island



“Basic Health Program” Option

Section 1331 of Patient Protection and Affordable Care Act

- States have option to create new program for residents otherwise eligible for insurance subsidies through Exchange
- Eligible individuals must be: between 133%-200% FPL, ineligible for Medicaid, under age 65, and not have access to affordable public or private coverage that meets standards of essential minimum benefits and affordability
- States contract with at least one plan to provide the equivalent of the “essential health benefits” as required for a plan to be offered through the Exchange
- Premiums for enrollees must be lower than what the individual would have paid in the Exchange
- Federal government would provide 95% of the subsidy that individuals would have been provided in the Exchange
- Legal immigrants under 133% FPL not eligible for Medicaid due to 5-year bar would also be eligible

Rhode Island Proposal: RIte Care Expansion with Federal Funding

- Enroll adults between 133-200% FPL in RIte Care
- Make Rhode Island's Basic Health Program look like RIte Care to families - benefits, services, supports
- These federal funds will be a third revenue stream under RIte Care (Medicaid, CHiP, Basic)
- Estimated 35,800 eligible; 25,000 choose to enroll (70%)

Rite Care Expansion (cont.)

Funding

- Federal reimbursement will pay for entire program
- Pays for medical costs and administrative services
- Federal government pays state directly.

Turn-key start up

- Administrative systems already in place; start up costs minimal
- Utilizes existing Medicaid health plans and their provider contracts, pharmacy formularies, case management practices and claims systems, as well as DHS processes for premium collection, enrollment and eligibility determination

Our Basic Health Program is better for members

- ✓ **Better Coverage** – Comprehensive medical, behavioral health and substance abuse coverage plus transportation, interpreters and social needs coordination
- ✓ **Better Service** – Members supported by health plans whose expertise is working with vulnerable populations
- ✓ **Lower Cost to Members** – Premiums must be lower than the exchange which increases number of people who enroll
- ✓ **Continuity of Coverage** – Less churn with Medicaid
- ✓ **Family Unity** – Parents in same coverage as children