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State/Territory Name: Rhode Island

State Plan Amendment (SPA) #: 18-0016

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages



Boston Regional Operations Group

March 13, 2019

Lisa Vura-Weis, Acting Secretary
Executive Office of Health and Human Services
State of Rhode Island and Providence Plantations
3 West Road
Cranston, RI 02920

Dear Secretary Vura-Weis:

We are pleased to enclose via email a copy of approved State plan amendment (SPA) No. 18-0016 submitted to my office on December 13, 2018 and approved on March 13, 2019. This SPA is effective October 1, 2018 as requested by the State.

This SPA transmitted a proposed amendment to Rhode Island's approved Title XIX State plan to revise the limitations on medical and remedial expenses when determining post-eligibility treatment of income for Medicaid Long-Term Services and Supports.

If there are questions, please contact Robert Cruz. He can be reached at (781) 335-3455 or at robert.cruz@cms.hhs.gov.

Sincerely,

/s/

Richard R McGreal
Director
Division of Medicaid Field Operations East

Cc: Patrick Tigue, Medicaid Director
Melody Lawrence, Interdepartmental Project Manager
Maria Petrillo, Senior Economic and Policy Analyst

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 18-016	2. STATE RI
FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE October 1, 2018	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 435.725(c)(4)(ii), 42 CFR 435.832(c)(4)(ii)		7. FEDERAL BUDGET IMPACT: a. FFY 2019 \$ 0 b. FFY 2020 \$ 0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Supplement 3 to Attachment 2.6-A, Pages 1 and 2		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Supplement 3 to Attachment 2.6-A, Page 1	
10. SUBJECT OF AMENDMENT: Limitations on Medical and Remedial Expenses when determining post-eligibility treatment of income			
11. GOVERNOR'S REVIEW (<i>Check One</i>): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED See Attached Letter <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: /s/		16. RETURN TO:	
13. TYPED NAME: Eric Beane		EOHHS	
14. TITLE: Secretary		3 West Rd, Virks Building	
15. DATE SUBMITTED: December 13, 2018		Cranston, RI 02920	
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: December 13, 2018		18. DATE APPROVED: March 13, 2019	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2018		20. SIGNATURE OF REGIONAL OFFICIAL: /s/	
21. TYPED NAME: Richard R. McGreal		22. TITLE: Director, Division of Medicaid Field Operations East	
23. REMARKS: CMS and the State agreed to make the following pen and ink changes to the Form CMS-179: Added "Pages 1-2" in Box 8 and added "Page 1" to Box 9.			

OFFICIAL

Revision: **HCFA-PM-85-3**
May 1995

SUPPLEMENT 3 to ATTACHMENT 2.6-A
Page 1
OMB No. :0938-0673

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Rhode Island

REASONABLE LIMITS ON AMOUNTS FOR NECESSARY MEDICAL OR REMEDIAL CARE NOT COVERED UNDER MEDICAID

Allowable Medical Expenses – Expenses incurred for medically necessary services may be deducted from available income in certain circumstances. For such expenses to reduce available income in the post-eligibility treatment of income (PETI) process when calculating beneficiary liability, they must meet the following criteria

1. An allowable expense must meet the following conditions:
 - a. Medically necessary. The expense must be medically necessary.
 - b. Services not paid for by Medicaid. The expense must not be covered by Medicaid, except that any cost-sharing that is permitted to be applied against the beneficiary must be allowed as a deduction. Other expenses incurred in a period in which eligibility is active, including the ninety (90) day retroactive period may be covered in the following instances:
 01. An expense for a Medicaid covered, medically necessary service incurred during a period of active Medicaid eligibility is considered in the PETI process when the applicant or beneficiary paid the expense and provides documentation thereof.
 02. A health care expense incurred for a medically necessary service provided prior to the ninety (90) day period may be considered in the PETI process if all or a portion of the expense is outstanding and constitutes a documented and legally binding debt obligation, attachment, or lien established by a court or other authority of appropriate jurisdiction.
 03. Any expenses incurred for medically necessary services during the ninety (90) day period must be unpaid to be considered in the PETI process if the applicant was ineligible for Medicaid at the time the service was provided.
 - c. Bundled rates. When an applicant for LTSS is receiving a service or set of services Medicaid pays for in a daily or bundled rate, the items and services included in that rate are not separate allowable expenses whether provided in an institution, such as a NF or hospital, or home and community-based setting, such as a DD group home, assisted living residence, etc.
 - d. No Thirty Party Payment. An allowable expense must not be eligible for payment by a third party. For these purposes, a third party could be - any persons, entities, or payers that are liable to pay

TN No. 18-016
Supersedes
TN No. 87-15

Approval Date: 3/13/19

Effective Date: 10/1/18
HCFA ID: 4093E/0002P

OFFICIAL

Revision: **HCFA-PM-85-3**
May 1995

SUPPLEMENT 3 to ATTACHMENT 2.6-A
Page 2
OMB No. :0938-0673

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Rhode Island

REASONABLE LIMITS ON AMOUNTS FOR NECESSARY MEDICAL OR REMEDIAL CARE NOT COVERED UNDER MEDICAID

the expense including, but not limited to: other health care coverage, such as coverage through Medicare, private or group health insurance, long-term care insurance or through the Veterans Administration (VA) health system; or other forms of third-party compensation such as may result from automobile insurance; court judgments or settlements; Workers' Compensation.

2. Limits -- If all of the above conditions apply, the expense may still not be allowed in certain circumstances:
 - a. Expense in a penalty period. An expense cannot be deducted for an LTSS service that was incurred during a penalty period due to a disqualifying, uncompensated transfer. However, non-LTSS expenses, such as primary, acute or subacute care services incurred during a period of ineligibility may be an allowable expense if all other conditions are met.
3. Excess Carryover --The excess amount of an allowable expense can be carried forward as a deduction in future months when the amount of the expenses exceeds monthly beneficiary liability.