

Budget shortfall prompts Agency to seek delay for RCO start date

Citing the current lack of funding for the 2017 fiscal year, the Alabama Medicaid Agency announced May 9 that it would seek to delay the October 1, 2016, start date for Regional Care Organizations, the core component of its transformation plans. A revised start date has not been determined, according to Medicaid Commissioner Stephanie Azar.



Before making a decision on a start date, she emphasized that the next step is to talk with the Centers for Medicare and Medicaid Services and Governor Bentley to explore options available to the state.

The change in plans became necessary after the Alabama Legislature adjourned May 4 without appropriating additional funds needed by the Agency for existing operations and to move forward with its plans to implement RCOs.

A federal waiver that would enable the state to implement the managed care program was approved in February. Commissioner Azar emphasized that the legislation passed on the last day of the regular session provides the Agency flexibility to work with the Centers for Medicare and Medicaid Services and the Probationary RCOs on an alternative implementation plan.