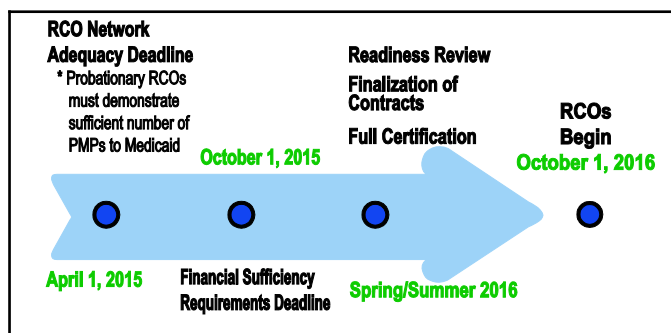


## Agency review of RCO solvency, provider networks nears completion

With less than a year to go before Regional Care Organizations begin serving Alabama Medicaid recipients, Medicaid is nearing completion of its review of the 11 probationary RCOs' financial solvency and provider networks.

The reviews are part of the ongoing preparations to implement RCOs on October 1, 2016. Regional Care Organizations are locally-led managed care organizations that will provide services for Medicaid enrollees at an established cost when the program is implemented.

Under state law, probationary RCOs must demonstrate that they have an adequate provider network which includes minimum numbers of primary medical providers, medical facilities and core specialists such as orthopedists, urologists, and allergists, among others. The law also requires that the probationary RCOs demonstrate that they are financially solvent and can



operate as a risk-based organization. Probationary RCOs which successfully meet these requirements will qualify to begin an operational, or readiness, review in the spring of 2016.

"We are very encouraged by the effort invested by the probationary RCOs to develop a comprehensive service delivery network," said Alabama Medicaid Commissioner Stephanie Azar. She

noted that thousands of Letters of Intent from physicians have been submitted, indicating widespread interest in the program from providers throughout the state.

While the reviews continue, the state Medicaid Agency is awaiting approval from the Centers for Medicare and Medicaid Services on a draft contract that will be used by Alabama Medicaid and the RCOs which become fully certified. Federal approval of the contract, submitted on October 27, is required before final RCO certification can take place.