

# Medicaid Matters

## Twelve applications submitted for RCO probationary certification

Alabama's plan for a new system of risk-based healthcare organizations to serve the state's Medicaid recipients achieved its second major milestone with the submission of 12 applications for probationary certification by the September 30 deadline. [Click here to see a list of applicants.](#)

Three applications for probationary certification as a Regional Care Organization were filed in Region A (North Alabama) and Region C (West Alabama) while two applications each were filed in Region B (Central / East Alabama), Region D (Central / Southeast Alabama) and in Region E (South / Southwest Alabama) [Click here to see a map of the regions.](#)



**Regional Care Organizations**

"There has been a remarkable level of interest in developing locally-led organizations as evidenced by the submission of these applications," said Dr. Don Williamson, chair of the Alabama Medicaid Transition Task Force. "This confirms our belief that RCOs represent a viable vehicle for transforming Medicaid."

The application period opened in May when the state adopted rules outlining the application process and other requirements. RCOs potentially could have been certified by October 1, 2014, although state law allows for additional time if there is evidence of substantive progress and a decision on probationary certification can be made before January 1, 2015. [Read more >>](#)

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## Alabama chosen for NGA policy academy to aid Medicaid transformation

Alabama and two other states have been selected by the National Governors Association (NGA) to participate in a year-long policy academy aimed at helping states use Medicaid to transform the delivery of services for those enrolled in the system, Governor Robert Bentley announced on September 17.

"Governors are uniquely situated to look across their entire health systems to create solutions that span both the public and private markets," Governor Bentley said. "Through collaborative efforts among state agencies, communities, stakeholders, payers and providers, governors can steer action toward a common vision of a transformed health care system for a state."

Dr. Don Williamson, Alabama's state health officer and chair of the Alabama Medicaid Agency Transition Task Force, will lead a team of six people who will meet with NGA staff and other experts about Alabama's proposed regional care organizations (RCOs).

RCOs are proposed managed-care systems that hospitals and other health-care providers could create, with the Alabama Medicaid agency's approval, to provide health care to Medicaid beneficiaries. In return, the agency would pay each RCO a set amount per person. By law, RCOs must sign contracts to care for Medicaid beneficiaries no later than Oct. 1, 2016. [Read more >>](#)



**Inside:**

- Provider payment cuts reversed effective October 1
- Medicaid receives "No Wrong Door" planning grant

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## Provider payment cuts made in 2013 reversed effective October 1



Payment reductions made to certain providers during 2013 were reversed effective October 1. Required to balance the Agency's 2014 budget, the cuts impacted physicians, dentists, lab and x-ray providers, durable medical equipment providers and renal dialysis providers.

Physician payments – including payments to physician assistants and nurse practitioners -- were reduced 7.5 percent on October 1, 2013. A 5 percent payment reduction to the other providers was implemented in April 2013. The reduction did not impact the federally-mandated payments to primary care physicians.

“We deeply appreciate our providers continuing to care for Medicaid patients during this time of budget constraints,” said Dr. Don Williamson, chair of the Medicaid Transition Task Force. “At the same time, we recognized that to have an adequate provider network and meet the needs for Medicaid's future transformation, it was imperative that we return to our previous payment rates.”

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## Alabama Medicaid receives “No Wrong Door” planning grant

Accessing long term care services often means visiting a myriad of places and people to learn about and obtain services. Agency officials hope a new grant awarded to the Alabama Medicaid Agency will make it possible for the state to design a new, unified system that will make it easier people of all ages, disabilities and income levels to learn about and access the services and supports they need.

The Agency was notified on September 26 that its application for a “No Wrong Door” planning grant was approved. The \$217,401 grant will be used to create a three-year strategic plan to transform multiple access points and functions into a single, statewide system. The effort is funded as a joint initiative of the Administration on Community Living (ACL), the Centers for Medicare and Medicaid Services (CMS) and the Veterans Health Administration (VHA).

“Historically, information on long term care services and supports has been housed within the aging community which is less visible and accessible to people of any age with disabilities,” said Ginger Wettingfeld, Gateway to Community Living Project Director. “We hope to build on the considerable efforts and successes of Alabama's Aging and Disability Resource Center (ADRC) and the ‘lessons learned’ along the way.” The ADRC is operated by the Alabama Department of Senior Services.



Wettingfeld explained that Medicaid and ADSS have already been exploring opportunities to collaboratively enhance the ADRC model in Alabama through the Money Follows the Person (MFP) Rebalancing Demonstration. On an even larger stage, the state has recently been examining possibilities for improving efficiencies and effectiveness across its health and human services, through enhanced coordination, she said. For example, Wettingfeld hopes that work now underway on the Alabama CARES project, a coordinated eligibility system to be shared by Medicaid, the Alabama Department of Public Health and the Alabama Department of Human Resources, can be integrated into the updated system. [Read more >>](#)

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