

0349 **RITE SHARE PREMIUM ASSISTANCE PROGRAM**

0349.05 **Program Overview**

REV:01/2006

Under the terms of Section 1906 of Title XIX of the U.S. Social Security Act, states are permitted to pay an eligible individual's share of the costs for enrolling in employer sponsored health insurance coverage if it is cost effective to do so. R.I.G.L. 40-8.4- 12 authorized the Department of Human Services to establish the Rite Share Premium Assistance Program to subsidize the costs of enrolling Medical Assistance eligible individuals and families in employer sponsored health insurance (ESI) plans that have been approved as meeting certain cost and coverage requirements. The department uses cost effective criteria to determine whether ESI plans meet these requirements. Only employer sponsored health insurance plans that the department determines meet the cost effective criteria in Section 0349.20 and the terms for employer participation in Section 0349.30 shall be approved for the Rite Share premium assistance program.

0349.05.05 **Definitions**

REV:01/2006

For the purposes of this section, the following definitions apply:

Approved Employed Sponsored Insurance (ESI) or Rite Share Approved ESI plan means an employer sponsored health insurance plan that meets the coverage and cost effectiveness criteria for Rite Share.

Cost effective means an ESI plan that provides comparable health coverage to that available through Rite Care at a lower cost to the State including any wraparound coverage in the cost comparison.

Cost sharing means any co-payments, deductibles or co-insurance that an individual/family is required to contribute, in addition to a premium, when enrolled in a Rite Share approved ESI or Rite Care plan.

Employer contact unit, or ECU, means the unit responsible for assessing the cost effectiveness of ESI plans, contacting employers offering cost effective ESI plans to determine whether participation in Rite Share is appropriate, approving ESI plans that meet both the cost effectiveness and participation criteria, and initiating the Rite Share enrollment and disenrollment process.

Employer sponsored insurance, or ESI, means health insurance or a group health plan offered to employees by an employer.

Enrollment cost means the monthly premium share an individual or family is required to pay to obtain and maintain ESI coverage.

Group health plan means an employee welfare benefits plan as defined in Section 3(1) of the Employee Retirement Income Security Act of 1974 as qualified in R.I.G.L. 27-50-3(T)(1) and 27-18.6-2(15).

Health insurance coverage, or health benefit plan, means a policy, contract, certificate or agreement offered by a health insurance carrier to provide, deliver arrange for, pay for or reimburse any of the costs of health care services as defined and qualified in R.I.G.L.

27-18.5-2(7), 27-18.6-2(14) and 27-50-3(U)(1).

Policy holder means the employee or worker eligible to enroll in ESI, irrespective of MA eligibility, and responsible for enrolling any MA eligible family members in a Rite Share approved plan.

Rite Share Premium Assistance Program means the State program that provides subsidies to cover an MA eligible individual's/family's share of the cost for enrolling in an approved ESI plan.

Wraparound services or coverage means any MA required health care services not included in a Rite Share approved ESI plan, as well as any cost sharing relating to network providers the approved ESI plan imposes above the levels established for MA recipients, that the department is obligated to make payment for in order to ensure that MA eligible Rite Share enrollees receive health coverage comparable in scope, amount and duration to individuals/families enrolled in a Rite Care plan.

0349.05.10 Scope of Rite Share

REV:10/2008

The Rite Share Premium Assistance Program applies to individuals and families eligible for Medical Assistance with incomes up to two hundred fifty percent (250%) of the federal poverty level.

The department reserves the discretion to, at a later date, broaden the scope of Rite Share to allow MA eligible individuals with disabilities, who meet the criteria established under the Ticket to Work Incentive Act of 1999, to enroll in and receive premium assistance for health coverage provided by a Rite Share approved ESI plan.

0349.05.10.05 *Rite Share Enrollment as a Condition of Elig*

REV:10/2008

Enrollment in a Rite Share approved ESI plan is a condition of eligibility for Medical Assistance for Medical Assistance eligible individuals age nineteen (19) years and older. This requirement also applies to those individuals who had previously or have the option to waive their employer-sponsored insurance (ESI) so as to receive financial compensation, including but not limited to, an increase in hourly wage, an increase in weekly salary and/or a lump sum payment. (Payment for waiving coverage is also known as "pay in lieu of benefits.")

Enrollment is not required if the MA application form indicates that the employed parent or caretaker relative is a non-citizen ineligible for MA due to immigration status.

Once it has been determined that the ESI plan offered by a particular employer is Rite Share approved, DHS will require all MA recipients with access to that employer's plan to participate in Rite Share.

If the policy holder (i.e., employee) in the applicant household is a parent or caretaker relative age nineteen (19) or older, the policy holder is responsible for enrolling any MA eligible family members (i.e., spouse, caretaker relative if eligible and children) in the ESI plan. Failure to meet this requirement shall result in the following:

- o Termination of the MA eligibility of the policy holder, parent(s) or caretaker relative in the applicant household until the individual demonstrates compliance with enrollment procedures established by the DHS. However, this period of MA ineligibility may be shortened and MA eligibility established if such individual becomes exempt from Rite Share enrollment or no longer has access to ESI for reasons such as a change in employment. (See Sections 0349.10.05.25 and 0349.10.05.30).
- o Disqualification of the MA ineligible policy holder and any other ineligible family members to participate in Rite Share --that is, to receive premium assistance for Enrollment costs; and
- o The enrollment of any MA eligible children in a Rite Care plan.

Termination of eligibility for failure to enroll in a Rite Share plan as required shall not preclude an individual or family from reapplying for Medical Assistance.

Decisions about whether a MA eligible individual or family will qualify and be required to enroll in a Rite Share approved plan may be made in conjunction with:

- o Initial determinations (new applicants) of MA eligibility;
- o Annual redeterminations (current recipients) of MA eligibility;
- o Eligibility redeterminations resulting from changes in access to ESI (e.g., work status, residency, income, household composition, etc.);
- o Participation of an individual's employer in Rite Share; and
- o Information acquired by DHS indicating that an individual or family applying for or receiving Rite Care has access to and is eligible to enroll in a Rite Share approved ESI plan.

0349.05.10.10 *FIP Cash Recipients*

REV:04/2001

The central goal of the Rhode Island Family Independence Program (FIP) is to assist families in making the transition to employment and full financial independence. One of the major concerns of families going to work and discontinuing cash assistance is that they will lose access to the quality health coverage provided through Rite Care. In keeping with the department's longstanding commitment to facilitate the transition to work and financial independence, FIP participants shall only be subject to Rite Share after being employed for six (6) months or more. This six month exemption also applies to families losing eligibility for FIP due to employment. Specifically, to be subject to enrollment in a Rite Share approved ESI plan, the FIP participant shall be:

- o Age nineteen (19) or older; and
- o Employed for a period of six (6) consecutive months or more by the same employer.

FIP cash recipients who do not meet these criteria at the time eligibility is redetermined are exempt from participating in Rite Share and are continued in the Rite Care plan that provided coverage in the previous period of eligibility. The Rite Share exemption shall not be granted without verification of employment by department field representatives.

0349.05.10.15 *MA Ineligible Family Members*

REV:04/2001

Under no circumstances, shall the Department provide subsidies to cover cost sharing or wraparound services for MA ineligible family members enrolled in an approved ESI plan.

Premium assistance for MA ineligible parent or caretaker relative policy holders in the assistance household is provided only in cases when the department determines:

- o Enrollment of the MA eligible family members in the approved ESI plan is contingent upon enrollment of the ineligible policy holder; and
- o It is cost-effective to provide a subsidy to family coverage compared to the cost of enrolling MA eligible family members in a Rite Care Health Plan, using methodology described in Section 0349.20.05.

For ineligible family members in the assistance household other than the policy holder, Rite Share premium assistance is available when:

- o The Rite Share approved ESI plan provides family/dependent coverage; and
- o Enrollment of the MA ineligible family members is

cost-effective as determined by the Department and described in Section 0349.20.05.

As is the case with an ineligible policy holder, the department shall make no cost sharing payment for or provide wraparound services to any MA ineligible family member enrolled in a Rite Share approved ESI plan.

0349.10 Enrollment Process

REV:01/2006

MA eligible individuals are required to participate in Rite Share by enrolling in ESI if they have access to a Rite Share approved ESI plan as determined by the department. Individuals without access to a Rite Share approved ESI plan are enrolled in a Rite Care health plan of their choice (if the plan is accepting new members), or if no preference is expressed, randomly assigned to a Rite Care Health Plan by the Department, in accordance with Departmental procedures set forth in Section 0348.75.

Individuals with access to a Rite Share approved ESI plan may be required to participate in Rite Share at a later date after the initial determination or redetermination of MA eligibility is made upon approval of the employer's plan for Rite Share. In such instances, notice that participation in Rite Share is a condition of retaining MA eligibility shall be sent to the MA recipient at least thirty (30) days prior to the date that enrollment in the ESI plan is required.

0349.10.05 Role of DHS Field Representatives

REV:01/2006

Departmental field representatives are responsible for making all initial determinations and redeterminations of eligibility for Medical Assistance in accordance with the technical, characteristic, financial and cooperation requirements specified for the applicable coverage group. Upon determining that an applicant/recipient meets the MA requirements, the individual or family is eligible for Medical Assistance.

Cases in which there is a question of Rite Share enrollment should be referred to the ECU in accordance with Departmental procedures.

0349.10.05.05 Access to ESI

REV:01/2006

For the purposes of Rite Share, access to employer sponsored insurance is defined as:

- O A Medical Assistance eligible individual, age nineteen (19) or older, who is, or has the option to be, enrolled in an employer sponsored health insurance or group health benefit plan;
- O A Medical Assistance eligible individual who is, or has the

option to be, enrolled in an employer sponsored health insurance or group health benefit plan as the spouse, dependent or family member of a Medical Assistance ineligible policy holder.

All applicants and recipients are required to provide information regarding access to ESI for family members requesting Medical Assistance.

Exemptions from providing the required information regarding access to ESI for family members may be granted under the good cause provision as defined in DHS Policy Section 0349.10.053.30.

0349.10.05.05.05 Coverage Through the Non-Custodial Parent

REV:01/2006

Children who are enrolled in both RItE Care and an employer sponsored health insurance plan through a non-custodial parent, will be transitioned into RItE Share unless the custodial parent shows good cause not to transition. These children will retain their Fee-For-Service Medical Assistance coverage the entire time that they are in RItE Share. Should the non-custodial parent lose their employer sponsored health care coverage, the children will be transitioned back into RItE Care.

The custodial parent may choose not to enroll a child who is enrolled in both RItE Care and an employer sponsored health insurance plan through a non-custodial parent into RItE Share. Unless good cause for this refusal is granted, should the custodial parent choose not to enroll the child into RItE Share, the custodial parent will not be eligible for medical assistance coverage under the RItE Care Program.

Notification shall clearly indicate and state that no payment shall be made for coinsurance, cost sharing obligations, or wraparound coverage to or for the non-custodial parent policy holder or any other Medical Assistance ineligible family member/dependent enrolled in the approved ESI plan.

Dis-Enrollment from ESI /RItE Share through the non-custodial parent (NCP):

Families who are potential candidates for RItE Share will receive a letter explaining their rights and responsibilities, including the fact that enrollment in RItE Share is a condition of the Medicaid eligibility of the adults in the household. Families will be given a fourteen (14) day grace period to report any changes in their TPL and/or report any difficulties with using TPL that they have through an NCP. If a family does not respond, the recipients who are covered under the NCP's policy will be removed from RItE Care, enrolled in RItE Share, and sent appropriate documentation. Those who are not covered under the NCP's coverage (e.g., custodial mom, children not related to the NCP) will remain on RItE Care.

0349.10.05.10 Notice of Elig and Enrollment Referral

REV:01/2006

When the department determines that an individual or family is eligible for Medical Assistance, a notice is sent to the applicant/recipient.

At the time the notice is sent, a file of potential RItE Share eligibles is transmitted to the Employer Contact Unit (ECU). The referral for enrollment is based on information: 1) provided by the applicant or recipient in conjunction with an application or redetermination of MA; and 2) based on the employer's status as to RItE Share approved coverage.

The InRhodes generated notice of eligibility contains relevant information on the scope of eligibility and states that coverage is provided to MA eligible individuals on a fee-for-service basis until enrollment in either RItE Share or RItE Care is completed.

In instances in which a parent or caretaker relative is employed, the MA notice states that the Department will determine whether enrollment in the employer sponsored health insurance plan through RItE Share is required for continued eligibility. The content of the notice and the nature of the enrollment referral may vary depending on whether the individual(s) determined eligible are:

- o Requesting MA as a new applicant or continuation of MA as a recipient; or
- o Covered by or have access to a RItE Share approved ESI plan.

Referrals for enrollment are made in conjunction with: 1) initial determinations of MA eligibility; 2) redeterminations of MA eligibility; 3) participation of an individual's employer in RItE Share; and 4) information acquired by DHS indicating that the individual's employer offers a RItE Share approved plan.

0349.10.05.15 Initial Determination of Eligibility

REV:01/2006

Department field staff are responsible for determining: initial eligibility for MA in accordance with procedures in Section 0348.15.10.

A file of potential RItE Share eligibles is transmitted to the Employer Contact Unit (ECU). The ECU researches the case further to determine whether enrollment in RItE Share is appropriate and cost effective.

0349.10.05.20 Continuing Eligibility - Redeterminations

REV:10/2008

For recipients applying for continuing eligibility, Department represent required to assess as part of the redetermination process whether the individual/family is a RItE Care or RItE Share recipient and if there h

change in access to ESI. Individuals/families determined eligible are notice of redetermination, specifying the terms for continuing eligibil terms for continuing coverage vary as follows:

- o Rite Care recipients without access to ESI continue enrollment in the Rite Care plan that provided coverage in the previous period of eligibility in accordance with section 0348.
- o Rite Care recipients who have gained access to the Rite Share approved ESI plan continue to be enrolled in the Rite Care plan that provided coverage in the previous period of eligibility pending review by the ECU for possible enrollment in the ESI plan through Rite Share. In such cases, the department sends a notice stating that eligibility is continued and that coverage in a Rite Care plan continues pending action on the ESI plan by the ECU. Referral to the ECU is made accordingly.
- o Rite Share recipients who retain access to the approved ESI plan that provided coverage during the previous period of eligibility, continue to be enrolled and to receive Rite Share premium assistance pending review by the ECU of any changes that might result in withdrawal of approval of the ESI plan, disenrollment, and subsequent enrollment in a Rite Care plan.
- o Rite Share recipients who involuntarily lose access to an ESI plan that provided coverage during the previous period of eligibility for any of the reasons stated in section 0349.10.20.10 receive coverage as follows:
 1. If the ESI plan for which the Rite Share recipient lost access is a Rite Care Health Plan, and the involuntary dis-enrollment occurred in the ninety (90) day period prior to and inclusive of the re-determination date, the MA eligible family members shall be enrolled in a Rite Care Health Plan according to the enrollment procedures set forth in Section 0348; or
 2. If the ESI plan for which the Rite Share recipients lost access is not a Rite Care plan, any MA eligible individuals in the family receive coverage through fee-for-service pending either enrollment in a Rite Care plan, or if the recipients gained access to another ESI plan, approval of that plan by the ECU.

In all such cases, the notice of continuing eligibility sent by the Dep the recipient(s) shall include a statement of the applicable terms for eligibility, the reason(s) for establishing the terms, and the right to request a hearing with regard to either, as well as all other informati in this section. The enrollment referral transmitted to the ECU shall indicate which terms apply and shall be sent at the time the redetermin made.

Enrollment in a Rite Share approved ESI plan is a condition of eligibil Medical Assistance for Medical Assistance eligible individuals age nine years and older. This requirement also applies to those individuals wh previously

or have the option to waive their employer-sponsored insurance as to receive financial compensation, including but not limited to, an hourly wage, an increase in weekly salary and/or a lump sum payment. (P waiving coverage is also known as "pay in lieu of benefits.")

0349.10.05.25 *FIP Cash Recipients*

REV:04/2001

At the time eligibility redeterminations are completed, Department representatives are responsible for assessing whether FIP cash recipients are subject to participation in Rite Share as a condition of MA eligibility. Only those FIP cash recipients, age nineteen (19) and over, who have access to ESI and have been steadily employed for a period of six (6) consecutive months or more, shall be subject to enrollment in a Rite Share approved ESI plan. All other FIP cash recipients continue enrollment in the Rite Care plan which provided coverage until the next scheduled redetermination of eligibility.

If the FIP participant has been employed for over six (6) months, the InRhodes generated notice of redetermination sent to FIP cash recipients shall state that enrollment in the Rite Care plan that provided coverage during the previous period of eligibility is continued, pending review of the ESI plan by the ECU. The recipients shall receive notice from the ECU at least fourteen (14) days prior to enrollment in an ESI plan if enrollment in an approved ESI plan is a condition of retaining continuing eligibility. FIP cash recipients without access to ESI or who have not been employed during the six (6) months prior to redetermination, shall be notified by the department that coverage continues via Rite Care until the next scheduled redetermination.

0349.10.05.30 *Good Cause*

REV:10/2008

Department field representatives are responsible for determining whether cause exists for an exception to the non-financial cooperation requirement eligibility contained in Section 0308 and, more specifically, for participation in Rite Share, except as noted below. Determinations of good cause for MA eligibility shall be made in accordance with the procedures specified for applicable coverage group. The procedures for failing to cooperate with Share specific requirements are specified below in Section 0349.10.20 and 0349.10.20.05.

The Center for Child and Family Health (CCFH) is responsible for determining cause exemptions due to extraordinary circumstances. To do so, an individual submit an exemption request to CCFH in writing.

CCFH shall exempt a recipient from Rite Share enrollment only when their extraordinary circumstances which preclude the individual from receiving necessary care through the Rite Share approved ESI Plan. For purposes of exemption, "extraordinary circumstances" may include:

- o The existence of an unusual and life-threatening medical condition which requires medical treatment that

cannot be provided or arranged by the Rite Share approved health care coverage plan whether it is provided through the custodial or non-custodial parent; or

- o The existence of a chronic, severe medical condition for which the recipient has a longstanding treatment relationship for that condition with a provider who does not participate in the Rite Share approved ESI Plan; or
- o Enrollment in the health plan of the non-custodial parent could result in reasonably anticipated physical and/or emotional harm to the child(ren), custodial parent, or other relative with whom the child is living.

An individual's preference to continue a treatment relationship with a other health care provider who does not participate in the Rite Share E does not in and of itself constitute an "extraordinary circumstance."

Claims of physical and/or emotional harm must be determined to be of a serious nature. The emotional harm to the custodial parent or other re whom the child(ren) lives must be of such a serious nature that the cap care for the child(ren) adequately would be reduced. Corroborative evi which a determination of good cause is to be based must be supplied.

Corroborative evidence may include: court, medical, criminal, child pr services, social services, psychological, or law enforcement records wh indicate that the non-custodial parent might inflict physical and or em harm on the child(ren), custodial parent, or other relative with whom t child(ren) lives.

If good cause has been granted by DHS for any other benefit program adm by DHS, the good cause exemption will be honored by the Rite Share Prog

Enrollment exemptions requested due to extraordinary circumstances must writing, with appropriate documentation (letter from physician, medical restraining orders, or others as indicated), and signed by the recipien caretaker relative.

Exemption requests are routed to CCFH.

CCFH makes enrollment exemption determinations on a case by case basis considering all required documentation and any other relevant informati pertaining to the individual's request. An exemption may be granted for of time during the period in which the extraordinary circumstances exis exemption is granted by CCFH, all MA eligible family members are enroll Rite Care Health Plan in accordance with policy set forth in Section 03

0349.10.10 Role of Employer Contact Unit (ECU)

REV:01/2006

The Department's Employer Contact Unit (ECU) is responsible for:

- o eliciting information from RI employers about the

- health plans they offer to workers on an ongoing basis
- o evaluating health plans for RItE Share approval; and
 - o maintaining a database of RItE Share approved ESI plans; and
 - o contacting employers to make RItE Share enrollment decisions.

Upon receipt of member referral information, the ECU verifies employment and access to a RItE Share approved ESI plan. Based on this review, the ECU determines:

- o Whether the recipient is approved for RItE Share; and
- o The date that individual or family must enroll in the approved ESI plan in order to maintain MA eligibility.

The specific procedures for making such determinations vary depending on the enrollment status of the recipient(s) and the employers' customary enrollment process.

0349.10.10.05 *Initial Enrollment in a RItE Share Plan*

REV:01/2006

The ECU renders enrollment decisions for all recipients subject to RItE Share participation for the first time in accordance with the procedures established in this section.

If the Department determines that the recipients do not have access to an approved ESI plan, enrollment in a RItE Care plan is made in accordance with the procedures specified in Section 0348.75. Upon determining that an individual/family is qualified for coverage through RItE Share, the department provides a written Notification of Eligibility for Enrollment stating the employee must select a RItE Share approved ESI plan through their employer's personnel or human resources office within fourteen (14) calendar days. Written notice will be sent to the MA recipient thirty (30) days prior to the date that enrollment in the RItE Share approved plan is required, but only in instances when: 1) approval of the ESI plan is the impetus for the requirement to enroll rather than a determination or redetermination of MA eligibility; and 2) the employer is not participating in RItE Share.

Employers participating in RItE Share shall also be notified of ECU enrollment decisions, in a manner deemed appropriate by the Department.

The terms for initial enrollment in RItE Share are as follows:

- o A MA eligible policy holder nineteen (19) years of age or older in the assistance household with access to an approved ESI plan is required, as a condition of retaining MA eligibility, to complete an enrollment form through their

employer for a Rite Share approved ESI plan within fourteen (14) calendar days of the Notification of Eligibility for Enrollment. If the policy holder is a parent or caretaker relative, all MA eligible children in the family must also be enrolled in the Rite Share approved ESI plan. MA ineligible individuals in the family may also be enrolled in the approved ESI plan if there is no additional cost to the department. However, the Notification shall indicate that wraparound coverage is not be paid for or provided to the MA ineligible family members. The Notification shall indicate that failure to complete an enrollment form and/or voluntarily disenrollment from the approved ESI plan is grounds for ineligibility for any MA eligible individuals age nineteen (19) or older that could be covered under the approved ESI plan.

- O If the policy holder age nineteen (19) or older in the assistance household with access to the Rite Share approved ESI plan is MA ineligible, the procedures for (and Notification of Eligibility for Enrollment) differs in that the policy holder is only qualified for Rite Share premium assistance if the ECU determines it is a necessary and cost effective condition for enrolling the MA eligible members of the family members in the approved plan. However, the MA ineligible policy holder is deemed qualified for Rite Share premium assistance rather than determined as eligible for MA by the ECU. The Notification shall clearly indicate such and state that no payment shall be made for coinsurance, cost sharing obligations, or wraparound coverage to or for the policy holder or other MA ineligible family members enrolled in the approved ESI plan.

0349.10.10.10 *Enrollment Verification/Failure to Enroll*

REV:01/2006

Employers participating in Rite Share are required to submit verification to the ECU that initial enrollment in the approved plan has been made in the manner prescribed by the department.

Individuals and families working for Rite Share approved employers must provide verification of enrollment by: completing the appropriate DHS form, which requires the signature of a representative of the employer; or submitting a copy of the official ESI enrollment receipt.

Once this verification has been received, DHS will initiate premium payment.

Failure to enroll in the approved ESI plan is grounds for termination of MA eligibility for the parent(s) or caretaker relative over the age of nineteen (19) in the household.

If a MA eligible policy holder does not enroll as required, the Department enrolls any MA eligible children in a Rite Care plan.

Notice is sent to the family members enrolled in the Rite Care plan in accordance with section 0348. A referral is then made by the ECU to the field indicating that the MA eligible policy holder and any other MA eligible individuals over age nineteen (19) were not enrolled in the approved ESI plan as required.

Department field representatives send a Notice of Discontinuation, stating that the MA eligibility has been terminated for adults in the household. The ineligible individual may reapply (for inactive cases) or request reinstatement (for active MA cases) if they chose to comply with Rite Share, or earlier if an exemption from enrollment is granted or if the individual no longer has access to an approved ESI plan.

Procedures for handling cases in which an MA ineligible policy holder fails to enroll are the same as for an eligible policy holder, with one exception: the Department sends a Notice of Disqualification to the policy holder indicating that the enrollment costs in ESI shall not be paid by the Department.

Both the Notice of Discontinuation and the Notice of Disqualification shall include a statement indicating that any MA eligible individuals in the family affected by the determination have the right to appeal and to request a hearing to contest the change in eligibility and the enrollment decision.

In certain circumstances, the Department may have a prior agreement with the employer which permits the ECU to enroll the eligible individual/family in the ESI plan, upon receipt of an acknowledgment or written consent from the policy holder. The Notification of Enrollment sent from the ECU to the MA ineligible policy holder as well as to any MA recipients in such cases shall explain any such prior arrangements and any additional appeal and hearing rights that follow there from.

0349.10.10.15 ***Continuing Enrollment in Rite Share***

REV:01/2006

Department field staff are responsible for determining initial and continuing eligibility for MA in accordance with procedures in Section 0348.15.10. The InRhodes generated Notice of Approval contains relevant information on the scope of eligibility and states that coverage is provided to MA eligible individuals through Rite Care or Rite Share.

When the MA eligible individual/family has access to an approved ESI plan, a statement is added to the Notice of Approval indicating that the ECU will determine whether initial or continued enrollment in the employer sponsored health insurance plan through Rite Share is required. A file of potential Rite Share eligible families is transmitted to the Employer Contact Unit (ECU). The ECU researches the case further to determine whether enrollment in Rite Share is appropriate and cost effective.

0349.10.20 **Recipient Responsibilities**

REV:04/2001

All individuals and families applying for Medical Assistance must meet the cooperation requirements established in sections 0308 and 0348.20. In addition, Medical Assistance recipients are required to meet the Rite Share specific cooperation requirements established in this section to maintain coverage once both the initial determination of MA eligibility and the decision on Rite Share enrollment have been rendered by the Department.

0349.10.20.05 *Cooperation Requirements*

REV:01/2006

All MA applicants/recipients are required to provide information regarding other health coverage and/or access to ESI when applying for initial or continuing eligibility. The required information relating specifically to access to ESI which must be provided includes:

- o The names of any family members in the household currently covered by or with access to ESI;
- o The name of the policy holder and the employer offering the plan; and
- o Verification of monthly enrollment costs via a paycheck stub if the policy holder is currently enrolled or, if available, enrollment information provided by the employer indicating the policy holder's monthly premium for the appropriate family composition.

In addition, MA recipients required to enroll in a Rite Share approved ESI shall cooperate as follows:

1. Enroll in the approved ESI plan in the manner, and within the time-lines, established by the department. Failure to do so will result in the termination of Medical Assistance for any MA eligible parents/caretaker relatives age nineteen (19) and older in the family. The eligibility of any other MA recipient members in a family shall not be terminated as the result of the refusal of an otherwise ineligible policy holder to enroll in the ESI plan.
2. Submit verification of enrollment in accordance with Section 0349.10.10.10 when the employer does not participate in Rite Share.
3. Submit reports to department field representatives indicating any changes in enrollment status of MA eligible family members, enrollment costs, household composition, employment, income, residence, and access to ESI within ten (10) days from the date the change occurs.
4. Individuals and families subject to cost-sharing requirements must cooperate in making required premium payments in order to remain eligible for Medical Assistance. Failure to make a required premium payment, without good

cause, will result in disenrollment from the Rite Share Premium Assistance Program and loss of MA eligibility as provided in Section 0349.10.20.15.05.

0349.10.20.10 *Disenrollment*

REV:01/2006

Voluntary disenrollment by MA eligible Rite Share participants from a Rite Share approved ESI plan results in the termination of MA based on the failure to meet the non-financial cooperation requirements set forth in this section.

For the purposes of Rite Share, voluntary disenrollment includes, but is not limited to, instances in which a Rite Share participant:

- o Requests that the employer drop coverage or cease enrollment for the entire family or an MA eligible individual in the family;
- o Fails to meet the requirements established by the employer to maintain enrollment in the approved plan --e.g., submit required documentation or forms, etc.
- o Engages in unlawful or fraudulent acts, such as submitting false claims, that violate the terms for continuing enrollment in the ESI plan.

Voluntary disenrollment does not include the loss of access to an approved ESI plan as a result of: change in employment, termination of coverage by the employer for an entire class of workers, death, separation, divorce, or disability of the policy holder, or any other factors that could be reasonably construed as involuntary disenrollment as defined in this section.

Upon receiving a report from the employer, approved ESI plan insurance provider, or recipient indicating that disenrollment has occurred, the ECU verifies the accuracy of the report and assesses whether it is voluntary or involuntary in nature and forwards the information to the department field representative.

Once the report has been verified and it is determined to be voluntary disenrollment, the department sends a Notice of Discontinuance stating that:

- o Termination of the MA eligibility of the policy holder, parent(s) or caretaker relative in the applicant household until the individual demonstrates compliance with enrollment procedures established by the DHS. However, this period of MA ineligibility may be shortened and MA eligibility established if such individual becomes exempt from Rite Share enrollment or no longer has access to ESI for reasons such as a change in employment. (See Sections 0349.10.05.25 and 0349.10.05.30).
- o Any MA ineligible individuals are disqualified for Rite Share premium assistance; and

- o All MA eligible pregnant women and children shall be automatically enrolled in a Rite Care plan.

The Notice of Discontinuance shall also include any remedies for shortening the period of ineligibility as well as the right to request a hearing and appeal the decision.

Involuntary disenrollment from an approved ESI plan shall not adversely affect MA eligibility. For the purposes of Rite Share, involuntary disenrollment is defined as the termination of ESI coverage resulting from any of the following:

- a) change in the employment status of the policy holder (e.g., from full time to part-time);
- b) cancellation of the ESI plan by the employer;
- c) death, divorce, separation or disability of the policy holder; or
- d) withdrawal by the employer as a participant in Rite Share.

0349.10.20.15 *Premium Share Requirements*

REV:10/2008

See section 0348.40

0349.20 **Approval of Cost Effective ESI Plans**

REV:04/2001

Only employer sponsored health insurance or group health plans that the Department determines meet the cost effectiveness and benefits criteria specified in this section shall be approved for the Rite Share premium assistance program.

Sources of Information for Determining Cost Effectiveness

The Employer Contact Unit (ECU) shall base determinations of ESI cost effectiveness on information gathered from the following sources:

- o DHS-1, DHS-2, and MARC-1 Application Forms require applicants to indicate: current health insurance coverage status; relationship to policy holder; plan name; policy number; eligibility for and type of coverage (e.g., individual, family, individual and single dependent); employee costs for coverage (e.g., employee's share for individual v. family/dependent coverage); and individuals covered by plan.
- o Employer Contact Unit Data-base. The ECU collects data about Rite Share approved ESI plans from employers and insurance carriers as part of the enrollment process for employers that meet Rite Share participation

requirements. Information from employers includes data necessary to determine whether the employers' ESI offerings meet the department's cost-effectiveness and benefits criteria.

The department reserves the right to request additional information about the ESI plan from the MA recipient, the policy holder if not an eligible MA recipient and, where appropriate and necessary, the employer or insurance carrier.

0349.20.05 Methodology for Determining Cost Effective

REV:10/2008

The ECU uses the information about the ESI plan to compare the enrollment cost (i.e., payment of the employee's share) for the MA eligible individuals in the family, and any ineligible policy holder, in Rite Care versus Rite Share. An ESI plan is determined to be cost effective when on the average, the total cost of covering Medical Assistance eligible individuals through Rite Share, on a Rite Care equivalent basis, is less than the average cost to cover them through Rite Care.

To be cost effective, the employee's monthly ESI premium share plus any Medical Assistance covered services not covered by the ESI plan (e.g., copayments and services covered under the Rite Care Health Plan contract but not under the ESI plan) must be less than the average capitation payment for an average Rite Care family. These average costs shall be actuarially determined at such intervals as deemed appropriate by the department. There are three cost effectiveness determinations for each employer plan:

1. Family coverage where all family members are MA eligible with income less than or equal to one hundred seventy five percent (175%) of federal poverty level income guidelines (FPL);
2. Family coverage where only children and pregnant women in the family are MA eligible with income greater than one hundred seventy-five percent (175%) and less than or equal to two hundred fifty percent (250%) of the FPL; and
3. Individual coverage where only the employee is Medicaid eligible (pregnant women).

The figures used as the basis for assessing cost-effectiveness shall be made available, upon request, by the Department.

0349.20.10 Process for Approving ESI Plans

REV:01/2006

Once an ESI plan offered by an employer has been deemed to be Rite Share, the ECU identifies the employer in the InRhodes JINC database.

Approved ESI plans are reevaluated on annual basis to ensure that all MA eligible enrollees receive coverage comparable in scope, amount and duration to coverage provided in a Rite Care plan.

From the date an ESI plan is approved until the date it is reevaluated, any MA eligible individual (not undocumented) working for the Rite Share participating employer and their MA eligible dependents are considered Rite Share eligible.

0349.30 Rite Share Premium Asst Payment

REV:10/2009

The Rite Share Premium Assistance Program provides subsidies for premium share enrollment costs and any required wraparound services, including certain cost sharing obligations.

Premium Share Enrollment Costs

Rite Share premium assistance payments are used to cover the following enrollment costs:

- o MA eligible individual's share of the costs or premium for enrolling for individual coverage in an approved ESI plan;
- o MA eligible individual's share of the premium for enrolling in an approved ESI plan that provides family/dependent coverage for individual and any other MA eligible family members;
- o MA ineligible policy holder's share of the premium for enrolling the policy holder and any MA eligible family members in an approved ESI plan that provides family/dependent coverage.

It is the responsibility of the department to establish the appropriate mechanism for transferring payment for enrollment costs when determining whether the employer offering the plan is qualified to participate in Rite Share as indicated in section 0349.20.

The payment options include:

- o Enrollment costs are paid directly by the employer without any wage withholding from the policy holder. The ECU/department or its agent either mails a check or electronically transfers payment to the employer's bank or account, on a monthly basis, to cover the enrollment costs for any individuals/families receiving coverage through the Rite Share approved ESI plan.
- o Enrollment costs are paid by the employer after wage withholding from the policy holder. The ECU/Department or its agent mails a check or electronically transfers payment to the policy holder, on a monthly basis, to cover the enrollment costs for any individuals/families receiving

coverage through the Rite Share approved ESI plan.

- o Enrollment costs (both the employer's premium share and the employee's premium share or employee's premium share only) are paid directly to the insurance carrier on a monthly basis by the ECU/Department or its agent. (If both the employer and employees enrollment costs are paid: The Department/ECU then bills the employer for the employee's enrollment costs).

The Notification of Enrollment sent to the recipient(s) shall clearly specify the method for paying enrollment costs.

Wraparound Coverage

MA payment shall be made to cover the costs for any wraparound coverage that a MA eligible individual/family enrolled in an approved ESI plan is eligible to receive. Wraparound coverage includes any MA covered health care services not included in the approved ESI plan as well as any cost sharing a MA eligible Rite Share enrollee is required to pay to a MA participating provider within the ESI network that exceeds the levels established in section 0348 for individuals/families enrolled in a Rite Care plan. Any cost sharing, including co-payments, deductibles or co-insurance, charged for services utilized by the MA ineligible policy holder enrolled in an approved ESI plan are not eligible for Rite Share payment.

MA eligible individuals/families enrolled in an approved ESI plan are sent a Medical Assistance ID card. This card together with the individual's ESI group health card are presented to health care providers at the point of service to signify that Department should be billed for any MA covered health care services not covered by the ESI plan and any cost sharing not applicable to a MA eligible individual/family. Payment to providers for wraparound coverage shall be made in a timely manner via a method deemed appropriate by the Department.

MA eligible individuals/families enrolled in a Rite Share shall not make out-of-pocket payments for any cost sharing not applicable to MA recipients and any MA health care services not covered by the approved ESI plan.

DHS has the authority to recover Medical Assistance benefit overpayment claims and cost share arrearages through offset of the individual state income tax refund in accordance with Sections 44-30.1-1, 44-30.1-3, 44-30.1-4 and 44-30.1-8 of the Rhode Island General Laws in Chapter 44-30.1 entitled 'Setoff of Refund of Personal Income Tax.' An example of a benefit overpayment is payment made to a beneficiary for employer sponsored health insurance that was not active during the month(s) for which the payment was made.

See DHS policy section *0313 COLLECTION OF OVERPAYMENTS VIA STATE TAX REFUND OFFSET*.

0349.40 Notice and Appeal Rights

REV:04/2001

Medical Assistance applicants and recipients shall receive timely notification of department eligibility and enrollment determinations and the right to appeal. The Department shall also provide timely notification, including appeal rights, of any adverse decisions that reduce or terminate benefits.

InRhodes generated notices of MA eligibility or ineligibility are issued by DHS field staff. DHS ECU staff send notifications of enrollment and disenrollment in approved ESI plans.

0349.50 Disenrollment from ESI/Rite Share

REV:01/2006

An individual shall be disenrolled from the Rite Share Premium Assistance Program when: a) the individual no longer has access to the Rite Share approved ESI plan; b) all MA eligible members covered under the ESI plan lose MA eligibility; c) a determination is made by ECU that continued enrollment in Rite Share is not cost effective; or d) for individuals subject to cost sharing, a required premium payment is not received within the specified time frame. Any family members disenrolled from Rite Share who continue to be eligible for MA shall be enrolled in a Rite Care Health Plan in accordance with provisions in Section 0348.

The Center for Child and Family Health shall exempt a recipient from Rite Share enrollment only when extraordinary circumstances as listed in DHS Policy Section 0349.10.05.30 preclude the individual from participating in the Rite Share approved ESI plan.