

# Medicaid Matters

## Alabama Legislature boosts Medicaid budget during special session

### *Bill requires reinstatement of “bump” payments*

The Alabama Medicaid Agency will again move forward with its plans to implement managed care for Medicaid recipients following a special legislative session that increased funding to the agency for current operations and for implementation of Regional Care Organizations. The Agency has been on hold since May 2016 when the legislature appropriated \$700 million from the General Fund, \$85 million less than needed.



A total of \$190 million in additional funding for the Agency over the next two fiscal years was appropriated during a special session that ended September 7, including \$120 million from BP settlement funds. Additionally, legislators were able to free up about \$70 million for the Medicaid program in 2017 in a compromise agreement. The infusion of funds will enable the Agency to move forward with its reform efforts.

After legislators adjourned, Governor Robert Bentley announced that passage of the bill to allocate funds to Medicaid also would make it possible to restore enhanced payments to primary care physicians – popularly known as “the bump” – that were ended August 1 to avoid a budget deficit. The cut would have saved approximately \$15 million for the General Fund. A date to reinstate the payments has not been set. [Read more >>](#)

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## Medicaid to request July 1, 2017 start for Regional Care Organizations

The Alabama Medicaid Agency has notified the Centers for Medicare and Medicaid Services (CMS) that it will ask to postpone the start date for the proposed Regional Care Organizations until July 1, 2017. The request is subject to CMS approval.



The action was necessary after a General Fund budget shortfall delayed the planned October 1, 2016, start date specified in the Section 1115 Demonstration approved by CMS in February 2016. The five-year waiver is an essential component of the Agency’s transformation efforts, providing funding and authority to create a managed care system for about two-thirds of its current recipients. The Alabama Legislature recently concluded a special session during which additional funding was approved for Medicaid.

“CMS has closely followed our budget situation and advised us that we had to amend the waiver because we would not be able to implement RCOs on October 1, 2016,” said Alabama Medicaid Commissioner Stephanie Azar. “We now look forward to moving ahead with our plans to implement a new healthcare delivery system for Medicaid.”



**Inside: Medicaid seeks long-term care ideas during statewide meetings**

**RCO Program Public Forum set for Montgomery September 21, 2016**

Alabama Medicaid Agency P.O. Box 5624 Montgomery, AL 36103-5624

## Medicaid seeks long-term care ideas during statewide meetings

Consumers, family members, caregivers and others are invited to participate in one of nine meetings during September and October to hear more about Alabama Medicaid's planned Integrated Care Networks and to share their ideas about how services can be improved for people who are older or disabled.

The meetings will be held between September 20 and October 19 in Huntsville, Russellville, Anniston, Homewood (Birmingham), Demopolis, Northport, Montgomery, Dothan and Mobile. Morning sessions, to be held between 9:30 a.m. and 11 a.m., are designed for consumers, caregivers and advocates. Afternoon sessions will be targeted to direct service providers of health care and long term services and supports as well as provider association representatives and other interested parties. All meetings are open to the public.

Meetings, locations and times are listed below and on Medicaid's website. All locations are accessible.

The sessions are a follow-up to informational sessions held in June. During this round of meetings, focus groups will be conducted, providing attendees a forum to share thoughts and feedback about the current state of LTSS in an effort to help guide development of the ICN program.



State legislation passed in 2015 established a competitively bid, integrated network to provide long-term care services to Medicaid recipients. Patterned after Regional Care Organization legislation, the new law creates a provider-organized, at-risk system that is to begin no later than October 1, 2018. For more information about the ICN program [click here](#). Participants with special needs or questions should call (334) 242-5018 or email [ICNInfo@medicaid.alabama.gov](mailto:ICNInfo@medicaid.alabama.gov) so that appropriate supports are available. [Read more >>](#)

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## RCO Program Public Forum set for Montgomery September 21, 2016



The Alabama Medicaid Agency invites providers, recipients and other interested individuals to provide input on the Regional Care Organization (RCO) Program during a September public forum in Montgomery.

Comments will be taken during an open forum on Wednesday, September 21, at 1:30 p.m., in the Agency's 4th Floor Board Room at 501 Dexter Avenue.

Regional Care Organizations are community and provider-led managed care organizations that will receive an established per member per month fee (capitation payment) from the state to coordinate care and pay providers for covered services for most Medicaid recipients. An estimated 650,000 Alabamians with full Medicaid benefits are expected to enroll in the program. [Read more >>](#)

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