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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2008

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A N A C T

RELATING TO HUMAN SERVICES MEDICAL ASSISTANCE -- LONG-TERM CARE  
SERVICE AND FINANCE REFORM

Introduced By: Representatives Sullivan, O'Neill, Melo, and Moffitt

Date Introduced: February 26, 2008

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 40-8.9-1 and 40-8.9-2 of the General Laws in Chapter 40-8.9  
2 entitled "Medical Assistance - Long-Term Care Service and Finance Reform" are hereby  
3 amended to read as follows:

4 **40-8.9-1. Findings.** -- (a) The number of Rhode Islanders in need of long-term care  
5 services continues to rise substantially, and the quality of life of these Rhode Islanders is  
6 determined by the capacity of the long-term care system to provide access to the full array of  
7 services and supports required to meet their health care needs and maintain their independence.

8 (b) It is in the interest of all Rhode Islanders to endorse and fund statewide efforts to  
9 build a fiscally sound, dynamic long-term care system that supports: consumer independence and  
10 choice; the delivery of high quality, coordinated services; the financial integrity of all  
11 participants-purchasers, payers, providers and consumers; and the responsible and efficient  
12 allocation of all available public and private resources.

13 (c) It is in the interest of all Rhode Islanders to assure that rates paid for community-  
14 based long-term care services are adequate to assure high quality as well as supportive of  
15 workforce recruitment and retention.

16 (d) It is in the interest of all Rhode Islanders to improve consumer's access information  
17 regarding community-based alternatives to institutional settings of care.

18 (e) Although slight increases in Medicaid and state spending on home and community

1 based long-term care has occurred, these programs still serve only a portion of the people needing  
2 services, often resulting in waiting lists.

3 (f) Most people prefer to receive long-term care services in their homes or at least in a  
4 home like setting, such a residential housing, adult day care or an assisted living residence.

5 (g) Despite consumer preferences, the long-term care portion of the Medicaid program  
6 has a bias toward nursing home care, which is a mandatory benefit, while home and community  
7 based services are optional.

8 (h) New service setting, such as adult day care, the PACE program, and assisted living,  
9 have developed since the basic Medicaid services and coverage rules were developed.

10 (i) There is an increased legal emphasis, partly in response to the 1999 Supreme Court  
11 Olmstead decision, on providing services in the least restrictive setting to persons with  
12 disabilities.

13 (j) Currently Rhode Island spends ninety percent (90%) of its Medicaid long-term care  
14 dollars on nursing homes and ten percent (10%) on alternatives to nursing homes. Nursing home  
15 usage is on the decline and citizens prefer to remain at home.

16 (k) Informal caregivers are the backbone of the long-term care system in the United  
17 States today, providing much of the assistance to individuals who want to remain in their homes  
18 and need help with daily activities, including eating, bathing, and dressing, or shopping,  
19 transportation, and taking medications.

20 **40-8.9-2. System reform goal.** -- On or before July 1, 2007, the department of human  
21 services shall begin to implement a model system for integrated long-term care, that expands the  
22 capacity of the long-term care system as a whole to support consumer choice and independence;  
23 enables consumers to access coordinated services; assures quality outcomes through certification  
24 standards, performance measures and incentives and rewards that promote service excellence and  
25 generates the information consumers need to make reasoned choices about their health care; and  
26 improves the system's overall stability by reinvesting the benefits that accrue from the more  
27 efficient utilization of services to enhance the capacity of each of its component parts. Attaining  
28 system-wide reform of the magnitude set forth herein will require significant changes in the  
29 organization, financing and delivery of services that must be implemented incrementally.

30 On or before July 1, 2012, the department of human services shall reach the goal of  
31 allocating a minimum of fifty percent (50%) of Medicaid long-term care funding be utilized by  
32 nursing homes and fifty percent (50%) on home and community based care by the state of Rhode  
33 Island.

34 The department of human services shall prioritize increased investments in home and

1 [community based care. The office will also work to maintain the integrity and funding of current](#)  
2 [programs and investments that will help Rhode Island reach this goal.](#)

3 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO HUMAN SERVICES MEDICAL ASSISTANCE -- LONG-TERM CARE  
SERVICE AND FINANCE REFORM

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- 1           The act would mandate fifty percent of the Medicaid long-term care funding be utilized
- 2   on home and community based care.
- 3           This act would take effect upon passage.

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