

September 20, 2018

To: Hospital Providers
Re: INTEGRITY Reimbursement Logic

Dear Hospital Provider:

Neighborhood Health Plan of Rhode Island (Neighborhood) has been working collaboratively with the Hospital community, the Centers for Medicare and Medicaid Services (CMS), and the Executive Office of Health and Human Services (EOHHS) since the inception of the INTEGRITY product regarding the INTEGRITY product's reimbursement methodology.

At inception, Neighborhood was directed to reimburse Hospitals using an all-inclusive reimbursement methodology as we are the sole payer of services provided to INTEGRITY members. However, Neighborhood was notified by Hospital providers that Medicare continued to reimburse the Hospitals directly for certain components of the rate, which Neighborhood was also reimbursing, causing overpayments to Hospital providers by Neighborhood.

After several discussions, CMS determined that the original direction to Neighborhood was inaccurate, and instructed Neighborhood to change the reimbursement methodology in order to ensure that Hospitals were no longer paid for certain components of the INTEGRITY reimbursement rate (e.g. Indirect Medical Education (IME), etc.).

Neighborhood is pleased to inform you that the reimbursement methodology has been updated for the INTEGRITY product reimbursement rate, effective for dates of service on or after October 1, 2018. The methodology change will eliminate the components in which the Hospital providers continue to be reimbursed directly by CMS. There are no additional changes to the reimbursement rate for the INTEGRITY product or to any other Neighborhood products.

Neighborhood will continue to have individual conversations with Hospital providers to ensure appropriate next steps for repayment to Neighborhood of the overpayments.

Should there be any questions or concerns about this change, please contact me, at 401-427-8854 or edelacy-almeida@nhpri.org.

Sincerely,



Elizabeth deLacy-Almeida
Manager of Facility Contracting