

Date of State Budget Office Approval: Wednesday, April 7, 2021

Date Requested: Tuesday, March 9, 2021

Date Due: Friday, March 19, 2021

<i>Impact on Expenditures</i>		<i>Impact on Revenues</i>	
FY 2021	\$0	FY 2021	N/A
FY 2022	Range \$8.7 - \$28.9M	FY 2022	N/A
FY 2023	Range \$8.7 - \$28.9M	FY 2023	N/A

Explanation by State Budget Office: This act seeks to expand the Rite Track Program to provide health care coverage to a “noncitizen child who is a resident of Rhode Island”, ensuring that all children, regardless of immigration status, qualify for health insurance under the state’s Rite Track program. The act also seeks to provide healthcare coverage “without regard to availability of federal financial participation” by striking out “in accordance to Title XIX of the Social Security Act (Medicaid).”

Comments on Sources of Funds: Medicaid expenditures are jointly financed by general revenues and federal funds according to the prevailing (blended) Federal Medicaid Assistance Percentage (FMAP), which is 53.81 percent and 54.68 percent in FY 2021 and FY 2022, respectively. The FY 2023 (blended) FMAP is assumed as equivalent to the final FFY 2022 rate, or 54.68 percent. Under federal law, undocumented immigrants are not eligible to enroll in Medicare, Medicaid, or CHIP, meaning that the cost of ensuring this group of people would be entirely through general revenue.

Summary of Facts and Assumptions: The Rite Track program is a “payer of last resort program for comprehensive health care for children until they reach nineteen years of age...to provide for expanded Medicaid coverage through expanded family income disregards for children, until they reach nineteen years of age, whose family income levels are up to 250% of the federal poverty level”. Please note that Rite Track referenced in law was a previous name for what is now known as the Children’s Health Insurance Program (CHIP) in Medicaid.

RIGL 42-12.3-3 titled “Medical assistance expansion for pregnant women/Rite Start” defines the Rite Start program in law which covers the “cost of maternity care for any woman who lacks health insurance coverage for maternity care and who is not eligible for medical assistance under Title XIX and title XXI of the Social Security Act including, but not limited to, a noncitizen pregnant woman lawfully admitted for permanent residence on or after August 22, 1996, without regard to the availability of federal financial participation, provided such pregnant woman satisfies all other eligibility requirements.” The 2020 November Caseload Conference estimated a total general revenue only cost of \$170,000 in FY 2021 and \$200,000 in FY 2022 for this program.

Rite Care is Rhode Island’s Medicaid managed care program for families with children, pregnant women, and children under age 19. Families have a choice of three participating health plans-Tufts Health Plan, Neighborhood Health Plan of Rhode Island, and UnitedHealthcare Community Plan. Eligibility in Rite Care is

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based on income and family size: Parents with children under age 18 with income up to 133 percent of the Federal Poverty Level (FPL); Pregnant women with income up to 253 percent of the FPL; Children up to age 19 with income up to 261 percent of the FPL. There is currently no cost for families or children who enroll in a Rite Care health plan.

Rite Smiles is a dental services plan for coverage of children through a Medicaid managed care program.

According to a study conducted by the Kaiser Foundation, “undocumented immigrants are not eligible to enroll in Medicare, Medicaid, or CHIP”, meaning that the cost of ensuring this group of people would be entirely through state general revenue funds.

According to the American Immigration Council, Rhode Island is home to an estimated 30,000 undocumented immigrants. According to the same report, 37,475 people in Rhode Island, including 14,465 U.S. citizens, lived with at least one undocumented family member between 2010 and 2014. During the same time period, about 6% of children in the state were U.S. citizens living with at least one undocumented family member (12,541 children in total). Of this total, it’s estimated that 7,613 are children that are immigrants.

The high range analysis assumes that all 7,613 children would become eligible for healthcare under the Rite Care program. To calculate the cost, the estimate uses the Rite Care rate adopted at the November Caseload Estimate Conference for FY 2022; \$295.81 per month. The state would be responsible for 100% of the cost, totaling \$27.0 million. Using an enrollment figure that is based on the total population of Rhode Islander’s that are currently on Medicaid, we could expect 30% of the 7,613 to enroll under this bill (2,284). Under that low range, the cost would be \$8.1 million. Similarly, the state would be responsible for 100% of the cost.

The high range analysis assumes that all 7,613 children would become eligible for dental care under the Rite Smiles program. To calculate the cost, the estimate uses the Rite Care rate adopted at the November Caseload Estimate Conference for FY 2022; \$20.50 per month. The state would be responsible for 100% of the cost, totaling \$1.9 million. Using an enrollment figure that is based on the total population of Rhode Islander’s that are currently on Medicaid, we could expect 30% of the 7,613 to enroll under this bill (2,284). Under that low range, the cost would be \$561,839. Similarly, the state would be responsible for 100% of the cost.

As a benchmark to the Rhode Island specific estimate, the Center for Immigration Studies, a national organization, estimates the cost to insure 4.9 million uninsured undocumented immigrants with incomes low enough to qualify for subsidies at \$22.6 billion or \$4,600 per person each year (100% of all people enroll). On the low range utilizing a more realistic enrollment rate, the group estimates a cost of \$10.4 billion each year utilizing an enrollment figure of 2.5 million people or \$4,200 per person each year. Using the same enrollment figures mentioned above, if all 7,613 children enrolled, the total cost utilizing this report’s enrollee averages would be \$35,113,020. If 30% of the 7,613 children were to enroll or 2,284 children, the total

cost to the state would be \$9,616,421 at \$4,200 per child.

The Budget Office assumes this legislation would be effective on July 1, 2021 (FY 2022).

Summary of Fiscal Impact:

FY 2021: No fiscal impact reported due to timing of passage.

FY 2022: Range \$8,669,045 - \$28,896,816

FY 2023: Range \$8,669,045 - \$28,896,816

Budget Office Signature:

Fiscal Advisor Signature:

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