



TO: Core Specialists

**RE: Letters of Intent to participate in
Regional Care Organizations (RCOs)**

RCOs are locally-led managed care systems that will provide health care to Medicaid beneficiaries under the supervision and approval of the Alabama Medicaid Agency. State legislation passed in 2013 created the new managed care structure to enable Medicaid to move away from a volume-based, fee-for-service environment to a payment system that incentivizes the delivery of quality health care and improved health outcomes.

- Alabama Medicaid will enter into contracts with RCOs to provide services for patients at an established cost when the program begins in October 2016.
- Under the new system, RCOs will contract with healthcare providers to deliver services to Medicaid recipients.
- Eleven probationary RCOs have been certified by the state of Alabama.
- These probationary RCOs must demonstrate to the state that they have the ability to develop an adequate provider network by April 1, 2015.
- To meet this requirement, probationary RCOs will ask Core Specialists (See list below) to sign a Letter of Intent (LOI). The LOI is a form developed by the Alabama Medicaid Agency.

What Core Specialists need to know about LOIs:

- LOIs are a non-binding expression of interest in participating with one or more RCOs.
- The LOI is not a commitment to participate with Probationary RCOs.
- The provider may rescind his/her intent to contract after review of a final contract.
- The LOI is not a Contract; nor should providers be asked to sign a contract at this time.
- There is no penalty on current involvement in Medicaid if providers do not sign an LOI at this time
- Providers can sign an LOI after April 1st as the Probationary RCOs continue to build their networks.
- Providers may sign LOIs (and later contract) with more than one RCO.
- An RCO must contract with “any willing provider” as long as he or she agrees to the terms offered to comparable providers.
- The minimum fee-for-service reimbursement rates that a Regional Care Organization is to pay providers for covered services provided to a Medicaid recipient is to be the prevailing Medicaid fee-for-service schedule, unless otherwise jointly agreed to by a provider and an RCO through a contract or mandated by federal law.

RCO Core Specialists

Allergist
Anesthesiologist
Cardiologist
Cardiovascular Surgeon
Dermatologist
Gastroenterologist
General Surgeon
Neurologist

RCO Core Specialists (continued)

Oncologist
Ophthalmologist
Optometrist
Orthopedic surgeon
Psychiatrist
Pulmonologist
Radiologist
Urologist

For more information: www.medicaid.alabama.gov

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New rules proposed to support move to RCOs, comply with state law

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Welcome

Welcome to the Alabama Medicaid Agency! Medicaid is a state/federal program that pays for medical and long-term care services for low-income pregnant women, children, certain people on Medicare, individuals with disabilities and nursing home residents. These individuals must meet certain income and other requirements.

Information about ALL Kids to Medicaid transfer -- Click here

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RCOPortal@Medicaid.Alabama.gov

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