Arkansas Medicaid

September 2017

Arkansas is Shifting to a Client-Centered Approach to Service-Delivery Across Populations

Improved Health and Well-being of Arkansans

Integrate non-medical services into client plans

Robust spectrum of services available and utilized

Increased and effective client interactions

Client-centered approach in programs

CMS Flexibility to Innovate Supports this Shift
Integrate non-medical services into client plans
- a. Case Management & multi-program teams for at-risk families & youth
- b. Supported employment services for ID/DD, BH populations
- c. Work, training, education and community engagement for Medicaid Expansion population
- d. Case management of non-medical program assistance for LTSS populations

Client-centered approach in programs
- a. Individual Service Budgets for LTSS
- b. New "organized care" provider-led insurance for high-need BH/ID/DD populations
- c. PCMH rural expansion

Robust spectrum of services available and utilized
- a. Service expansions fill gaps in mental, behavioral and substance abuse services
- b. Case management & care coordination for special needs & at-risk youth/families

Increased and effective client interactions
- Proactive outreach & education initiatives
  - BH & ID/DD populations
  - Arkansas Works population

Program Shifts: 2018-2020

Medicaid Expansion in Arkansas
- January 2014: 1115 Waiver Demonstration - “Private Option”
  - Non-Medically Frail clients enrolled into plans available in the marketplace – QHPs
    - Primary goals:
      - Increase coverage & access in AR
      - Stabilize the individual insurance market
- January 2017: 1115 Waiver amended - “Arkansas Works”
  - Referrals to the state Department of Workforce Services (DWS): Increased focus on assisting clients access services available in non-medical programs to promote improved economic security - employment, skills, training and education assistance programs.
  - Increased personal responsibility through premium contributions
- March 2018: 1115 Waiver amended - “Arkansas Works 2.0”
  - Work and community engagement requirement for able-bodied enrollees, under 50 years of age, without dependents, in a QHP.
  - A request to reduce the income eligibility limit from 138% FPL to 100% FPL is still pending

Note: There are other provisions in each of these waiver amendments; this slide focuses only on a select group of provisions.
Flexibility and Innovation in Medicaid

AR Works Recipients Fit into One of Three Groups:

Not Subject to Work & Community Engagement Requirement

1. Enrollees age 50 or older
   • Work requirement does not apply beginning the month in which the enrollee turns 50
   • Will receive a work referral
   • Not at risk for losing Medicaid coverage

Subject to Work & Community Engagement Requirement

2. Exempt from Reporting
   • Enrollees age 19-49
   • Meet an exemption – not required to report work activities but will receive a work referral
   • Not at risk for losing Medicaid coverage

3. Required to Report Work Activities
   • Enrollees age 19-49
   • Do not meet an exemption
   • Risk losing Medicaid coverage at the end of the 3rd month of non-compliance

*Work Requirement will not apply to enrollees ages 19-29 in 2018, but will apply in future years. Enrollees ages 30-49 were phased in to the work requirement between June and September 2018.

Exemptions

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Validation Approach</th>
<th>Identify at Application or using State data?</th>
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</thead>
<tbody>
<tr>
<td>State Verifies Information</td>
<td></td>
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<tr>
<td>Currently receiving a SNAP exemption</td>
<td>Validated against state data every 30 days</td>
<td>Y</td>
</tr>
<tr>
<td>Receiving TEA Cash Assistance</td>
<td>Validated against state data every 30 days</td>
<td>Y</td>
</tr>
<tr>
<td>Arkansas Works Application, Portal, or Change in Circumstance Submission</td>
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<td></td>
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<tr>
<td>Employed &gt; 80 hours/month</td>
<td>Demonstration (income &gt; AR min wage x 80/month) valid until renewal or change in circumstance</td>
<td>Y</td>
</tr>
<tr>
<td>Medically frail</td>
<td>Demonstration valid until change in circumstance</td>
<td>Y</td>
</tr>
<tr>
<td>Living in home with dependent minor</td>
<td>Demonstration valid until change in circumstance</td>
<td>Y</td>
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<tr>
<td>Pregnancy</td>
<td>Demonstration valid until end of post-partum care</td>
<td>Y</td>
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<tr>
<td>Caring for incapacitated person</td>
<td>Demonstration required every 2 months or at renewal, whichever is sooner</td>
<td>N</td>
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<tr>
<td>Short-term incapacitation</td>
<td>Demonstration required every 2 months or at renewal, whichever is sooner</td>
<td>N</td>
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<tr>
<td>Participation in alcohol or drug treatment program</td>
<td>Demonstration required every 2 months or at renewal, whichever is sooner</td>
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<tr>
<td>Full-time Education, Job Training, or Vocational Training</td>
<td>Demonstration required every 6 months or at renewal, whichever is sooner</td>
<td>N</td>
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<tr>
<td>Receiving unemployment benefits</td>
<td>Demonstration required every 6 months or at renewal, whichever is sooner</td>
<td>Y</td>
</tr>
</tbody>
</table>

Information collection for “good cause” events to be handled on a case-by-case basis.

State to verify demonstrations for a sample of enrollees
Unique Elements of AR Works

- The demonstration builds on the use of QHPs for the Arkansas Medicaid expansion
  - Clients not in a QHP are exempt from the reporting requirement
  - Those in a QHP have a private insurance carrier, and frequently a broker or agent, who can assist the client in accessing services available to help them with employment, job search, education, training and volunteerism, and in reporting either an exemption or compliance
- A key element of the demonstration is the use of proactive outreach tools to communicate and educate clients and those who serve them:
  - Outbound education calls to all beneficiaries in the first ten days of becoming subject to the work & community engagement requirement
  - Extensive use of social media
  - Education and assistance to community, advocacy & government groups serving Medicaid populations
  - Insurance carrier and broker/agent outreach to enrollees
  - Department of Workforce Services (DWS) outreach to AR Works enrollees
  - All total over 60,000 letters, more than 150,000 phone calls, and over 125,000 emails

Initial Education Process

- Client applies for Medicaid; approved for AR Works and is subject to the work requirement
- Enrolled in FFS Medicaid for a minimum of 45 days; First 10 days – DHS education outreach and client is “soft assigned” to an insurance carrier
- After education outreach, results of education outreach given to insurance carrier and they begin outreach
- At start of the next full month in plan year, client shifts from FFS into QHP & work requirement begins
- Monthly reports on compliance are shared with carriers & DWS for their continued outreach

Note: Required noticing also takes place during this period.
AR Works Work & Community Engagement Requirement Implementation

- Clients report their activities online through the AR Works portal
  - Clients either already have an on-line account created when they applied for Medicaid or they create an account that can be used for Changes in Circumstances and reporting
  - DHS has set up multiple avenues to help those who need assistance creating online accounts or reporting hours:
    - In person at a DHS county office – there is at least one in each of the 85 counties
    - By phone with their health insurer. Each insurer has trained “Registered Reporters” who can do the on-line reporting for the client
    - Other organizations have also established “registered reporters” and locations
  - Beneficiaries who do not have Internet access at home are provided information on places make internet access available for reporting.
    - Locations include community colleges, DHS county offices, Local Health Units, Department of Workforce Services offices, and public libraries
  - Address analysis indicates that more than 90 percent of AR Works participants live within 20 miles of an Internet public access point.

Workforce Services Strategies

- The Arkansas Department of Workforce Services (DWS) received approval from the U.S. Department of Health & Human Services for a waiver to utilize Temporary Assistance for Needy Families (TANF) staff to provide screening, assessment, and referral services to non-exempt Arkansas Works clients.
  - TANF and DWS Employment Services staff have been re-organized to provide program agnostic workforce delivery services.
  - DWS leverages the Arkansas Departments of Career Education and Higher Education and Workforce Innovation Opportunity Act (WIOA) local boards as referral sources for clients requiring services.
  - The TANF program is also conducting outreach to exempt Arkansas Works clients with dependent children to help them obtain employment or training through TANF, the Career Pathways Initiative, or WIOA.
As of August 10, DHS data showed just over 76,200 Arkansas Works enrollees were subject to the work requirement in September. Most are already meeting the requirement through work, school, or other life situations that made them exempt from reporting. Numbers below are a point-in-time snapshot of the requirement and some fluctuate daily.

76,222* Originally estimated to be subject to work requirement in September

2,956 fewer people became subject to the requirement due to case closures unrelated to compliance or a change in circumstances. That left 73,266 subject to the requirement in September.

52,714 Meeting requirement due to work, training, or other activity. These enrollees were exempt from reporting their activities.

16,757 Did not satisfy reporting requirement

1,532 Satisfied reporting requirement

1,263 Reported an exemption since Aug. 10, 2018

25,368 Employed at least 80 hours a month

9,705 Already meeting SNAP requirement through work or exemption

8,020 At least one dependent child in the home

7,432 Medically frail/disabled

3,385 Enrollee requested closure

4,109 Three months non-compliance (closed)

4,841** Two months non-compliance

7,748** One month non-compliance

*Enrollees ages 30-49 are being phased into the requirement from June through September 2018. Those 19-29 will roll in starting January 2019.

** due to closures unrelated to compliance & as of Oct. 8, 2018

Every Medicaid program has what is known as “churn,” cases that close for various reasons. It is not uncommon for those individuals to take action and come back on a program after receiving a closure notice. The total number of Arkansas Works cases closed in September was 15,276. Of those, only 4,109 closed due to non-compliance with the work requirement. Below the closures are broken down by type.

27% Household increased income
15% Unable to locate client or moved out-of-state
18% Incarceration
6% Death (currently 0.05%)
15% Enrollee requested closure
18% Failing to return requested information
3% Other
6% Non-compliance

Top four reasons people were exempt from reporting in September

25,368 Employed at least 80 hours a month
9,705 Already meeting SNAP requirement through work or exemption
8,020 At least one dependent child in the home
7,432 Medically frail/disabled