

State of Arkansas  
91st General Assembly  
Regular Session, 2017

As Engrossed: H3/15/17  
**A Bill**

HOUSE BILL 1954

By: Representative Collins

By: Senator J. Hendren

### For An Act To Be Entitled

AN ACT TO REQUIRE A PROGRAM SAVINGS PLAN FOR THE  
MEDICAID PROVIDER-LED ORGANIZED CARE SYSTEM; AND FOR  
OTHER PURPOSES.

### Subtitle

TO REQUIRE A PROGRAM SAVINGS PLAN FOR THE  
MEDICAID PROVIDER-LED ORGANIZED CARE  
SYSTEM.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. DO NOT CODIFY. Medicaid provider-led organized care implementation and program savings plan.

(a)(1) The Department of Human Services shall develop a five-year program savings plan to monitor all Medicaid savings realized by the department, including savings achieved through the delivery of healthcare by risk-based provider organizations within the Arkansas Medicaid Program.

(2) The five-year program savings plan shall measure:

(A) Increased care management and care coordination;

(B) Value-based purchasing strategies;

(C) Reductions in duplication of healthcare services;

(D) Reductions in delivery of unnecessary healthcare services;

(E) The degree of risk assumed by risk-based provider organizations; and

(F) The amount of projected savings realized as part of



the eight hundred thirty-five million dollars (\$835,000,000) in savings requested by the Governor.

(b)(1) On and after September 1, 2017, the department shall report quarterly on the five-year savings plan to the Legislative Council, the Bureau of Legislative Research, and Arkansas Legislative Audit.

(2) The initial report shall define projected net savings to the Arkansas Medicaid Program to trend on a quarterly basis to serve as the baseline for measuring the success of implementation and continuing operation, including success attributed to the Medicaid provider-led organized care system.

(c)(1) If project savings in an amount less than five percent (5%) of the goal are not achieved during any two (2) consecutive quarters unrelated to nonclaims based performance, the department shall develop additional reforms to achieve the savings goals.

(2) If legislative action is required to implement the additional reforms described in subdivision (c)(1) of this section, the department may take the action to the Legislative Council or the Executive Subcommittee of the Legislative Council for immediate action.

*/s/Collins*

**APPROVED: 04/01/2017**