

1 State of Arkansas
2 90th General Assembly
3 Second Extraordinary Session, 2016
4

A Bill

DRAFT JMB/JMB
SENATE BILL

5 By: Senator <NA>
6 By: Representative <NA>
7

For An Act To Be Entitled

9 AN ACT TO ALLOW THE DEPARTMENT OF HUMAN SERVICES TO
10 IMPLEMENT THE NURSING FACILITIES PROVIDER SAVINGS
11 PLAN AS INTRODUCED TO THE ARKANSAS HEALTH REFORM
12 LEGISLATIVE TASK FORCE; AND FOR OTHER PURPOSES.
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Subtitle

15 TO ALLOW THE DEPARTMENT OF HUMAN SERVICES
16 TO IMPLEMENT THE NURSING FACILITIES
17 PROVIDER SAVINGS PLAN AS INTRODUCED TO
18 THE ARKANSAS HEALTH REFORM LEGISLATIVE
19 TASK FORCE.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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25 SECTION 1. DO NOT CODIFY. Nursing Facilities Provider Savings Plan.

26 (a) It is the intent of the General Assembly that individuals in need
27 of long-term-care services receive the services in the setting of their
28 choice for the amount of time necessary to maximize independent living based
29 on a standardized independent assessment, a plan of care based on need, and
30 an individual budget.

31 (b)(1) The Department of Human Services shall work with the Arkansas
32 Health Care Association, Arkansas Assisted Living Association, and other
33 stakeholders to adopt the elements of rebalancing, enhanced nursing facility
34 transitions, independent assessment, and tiered levels of care contained in
35 the Nursing Facilities Provider Savings Plan presented to the Arkansas Health
36 Reform Legislative Task Force to ensure that the savings are achieved over a

1 five-year period.

2 (2) The department shall submit any necessary waivers, state
3 plan amendments, and rule changes needed for the implementation plan of the
4 Nursing Facilities Provider Savings Plan and budget changes needed to improve
5 quality, increase choice, and achieve the savings of, at the minimum, two
6 hundred fifty million (\$250,000,000) dollars between the state fiscal year
7 2017 and state fiscal year 2021.

8 (c)(1) On or before September 1, 2016, the department shall submit the
9 implementation plan of the Nursing Facilities Savings Provider Plan to the
10 Arkansas Health Reform Legislative Task Force and the Legislative Council
11 that implements the necessary changes to the Arkansas Medicaid Program
12 designed to achieve at least the minimum savings amount by providing the
13 right services in the right setting at the right cost.

14 (2) The implementation plan of the Nursing Facilities Provider
15 Savings Plan shall include without limitation:

16 (A) The specific changes that the department shall
17 implement to result in the savings of at least two hundred fifty million
18 (\$250,000,000) dollars between the state fiscal year 2017 and state fiscal
19 year 2021, including without limitation:

20 (i) The method that the department shall use to
21 manage and account for a three-to-five percent withholding from nursing
22 facility payments;

23 (ii) The distribution between savings and quality
24 incentives; and

25 (iii) How quality incentives shall be determined
26 under the Nursing Facilities Provider Savings Plan; and

27 (B) The approach and projected costs to independently
28 verify savings.

29 (3) The department shall consult with the Office of Medicaid
30 Inspector General on the overall construction of the quality incentives,
31 savings projections, and independent verification process before September 1,
32 2016, and include any comments by the Office of Medicaid Inspector General in
33 the implementation plan of the Nursing Facilities Provider Savings Plan.

34 (4) The Nursing Facilities Provider Savings Plan shall be
35 implemented on or before January 1, 2017.

36 (d)(1) If after three (3) full years of implementation of the Nursing

1 Facilities Provider Savings Plan detailed in this act and the department has
2 independently verified that the Nursing Facilities Provider Savings Plan has
3 not achieved one hundred fifty million (\$150,000,000) dollars in savings by
4 June 30, 2019, then the department shall move forward on implementing a full-
5 risk managed-care solution for all long-term-care services and supports
6 within the Arkansas Medicaid Program.

7 (2) On or before March 30, 2019, the department shall report its
8 findings and recommendations based on the results of the Nursing Facilities
9 Provider Savings Plan to the Legislative Council.

10 (e) Annually, the department shall report to the Legislative Council
11 regarding the savings and implementation of the Nursing Facilities Provider
12 Savings Plan.

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