

Remaining Recommendations for Task Force Consideration

A. Savings Targeted for Certain Rate Increases

The task force recommends that DHS submit a plan to the legislature whereby a portion of the premium tax from the capitated managed care organizations revenue in the traditional Medicaid program be directed towards rate increases for community based providers and physicians.

Note: DHS Administrative Action Only

B. Certified Agents Role

The task force recommends that DHS work with National Association of Independent Fee Appraisers (NAIFA) Arkansas and clarify the authority of Exchange Certified Producer (certified agents who are compensated from Insurance plan premiums) to represent and speak on behalf of applicants, when given the proper signed authority and consent by applicants, with DHS on any matter involving enrollment and eligibility for the Private Option or the proposed alternative to replace it. It is understood that such Exchange Certified Agents will provide assistance governed by the State and Federal guideline as they have abided by for years. The Certified Agents should be included in the development of the DHS guidelines that will govern their role in the enrollment process for all of the new plans.

Note: DHS Administrative Action Only

C. Behavioral Health Provider Savings Plan

The task force recommends that DHS begin discussions with the Alliance for Health, the Mental Health Council of Arkansas, and the Arkansas Behavioral Health Providers Association regarding their projected savings for SFY 2017-2021 (provided to the task force on February 17, 2016) and determine if any additional rule, plan or policy changes should be made along with or prior to the planning of the revised Rehabilitative Services for Persons with Mental Illness (RSPMI) benefit and related services, and report back to the task force on its progress.

Note: DHS Administrative, Rule, Waiver and State Plan Action

D. Developmental Disability Provider Savings Plan

The task force recommends that DHS begin discussions with the Developmental Disabilities Provider Association regarding projected savings for SFY 2017-2021 (provided to the task force on February 17, 2016) and determine if any additional rule, plan or policy changes should be made along with or prior to the planning for the comprehensive revision of the Developmentally Disabled Services (DDS) Alternative Community Services waiver and report back to the task force.

Note: DHS Administrative, Rule, Waiver and State Plan Action

E. Therapy Location of Services State Plan Change

The task force recommends and supports DHS revision of state plan that prohibits Medicaid recipients over 21 years of age from receiving physical, occupational and speech therapy in a non-hospital based setting so as to allow for additional appropriate settings outside hospitals

Note: DHS Administrative, Rule and State Plan Action

F. Pharmacy Savings

The Task Force supports and recommends continuing the following ongoing quality and cost saving efforts in pharmacy at DHS, many of which are in progress and make up an estimated \$160mm in savings over the 5 year period from FY 2017 to FY 2021:

1. Preferred Drug List (PDL) expansion (estimated \$10 million in annual savings)
 - Expand the Preferred Drug List (PDL) without the unnecessary hurdle of evidence based clinical data in therapeutic classes where none is available.
 - Drug Effectiveness Review Project (DERP) waive the strict “evidence based requirement” for new therapeutic classes
 - Still want evidence when available, but sometimes it’s just cost difference
 - Drug Effectiveness Review Project (DERP) will not be renewed after State Fiscal Year (SFY)17
 - Consider multi-state rebate pools
2. Expand antipsychotic reviews for children
 - From just up to 6yo to include 7-9yos (estimated \$1 million in annual savings)
 - Up to age 10 by 7/1/2016
 - Up to age 12 by 2017
 - Metabolic monitoring
 - Manual case review
 - Informed consent
 - Abilify generic (estimated \$19.5 million in annual savings)
3. Competitive Acquisition Program (CAP) expansion (estimated \$1 million in annual savings)
 - Add 150 limited access drugs to the program
4. Improve quality and decrease waste of hemophilia factor drugs (estimated \$1 million in annual savings)
 - Quality and performance based pharmacy identification and selection
 - Decrease waste 5% cost reduction
5. Review of retail pharmacy reimbursements for(estimated savings pending analyses):
 - Dispensing fees
 - Center for Medicare and Medicaid Services (CMS) required survey
 - Ingredient costs

- National Average Drug Acquisition Cost (NADAC) analysis

Note: DHS Administrative and Rule Changes

G. Prescription limits per month

The task force supports the removal of the monthly prescription claim limit for approved maintenance medications used in approved chronic conditions. The task force recommends that DHS create and maintain the maintenance drug list and evaluate any changes needed to monthly prescription claim limits for non-maintenance medications.

Note: DHS Administrative and Rule Changes

H. Call center redundancy

The task force supports and recommends the continued progress toward reviewing the consolidation of disparate call centers supporting the pharmacy program. This effort is currently in progress.

Note: DHS Administrative Action Only

I. Vaccination rate improvement

The task force recommends that provider reimbursement for adult vaccines and professional administration fees be separated and further recommends that the Vaccines For Children (VFC) professional administration fee be evaluated for increase to promote and incentivize vaccinations.

Note: DHS Administrative Action Only