



Office of the Secretary
P.O. Box 1437, Slot S201
Little Rock, AR 72203-1437
P: 501.682.8650
F: 501.682.6836
TDD: 501.682.8820
HUMANSERVICES.ARKANSAS.GOV

Governor Asa Hutchinson
250 State Capitol
Little Rock, Arkansas 72201

Dear Governor Hutchinson:

Enclosed is the Department of Human Services' (DHS) Medicaid Transformation Scorecard and Quarterly Reports for the first quarter (Q1) and second quarter (Q2) of State Fiscal Year (SFY) 2021. I am pleased to report that DHS continues to be on track to achieve the five-year savings target of \$835 million you established with the Health Care Task Force (HCTF) for the period SFY 2017-2021. Overall, DHS spending for traditional Medicaid has been \$1.172 billion lower through SFY 2021 Q2 than the HCTF projected spending. The savings goal for SFY 2021 is \$212 million. Spending was \$264 million lower through Q2.

In addition, the HCTF projected additional savings of \$40 million in SFY 2021 due to the implementation of a provider-led care organization model for individuals with serious mental illness and developmental disabilities. This model would also generate \$56 million in premium tax revenues according to the HCTF projections in SFY 2021. The Provider-led Arkansas Shared Savings (PASSE) program was implemented ahead of schedule and the three PASSE organizations took full risk beginning in March 2019. Thus far, the PASSE program has lowered spending by \$81 million compared to the baseline and has generated \$55 million in premium tax revenue.

The quarterly savings goals for Q1 and Q2 were exceeded. Savings for each of the program areas (Developmental Disabilities, Behavioral Health, Long-term Services and Supports, Pharmacy, Dental, and PASSE) were also achieved. As you know, SFY 2021 is the final year of the five-year Medicaid Transformation Initiative. While the cumulative savings targets will be exceeded, the cost of the Medicaid program is influenced by many factors including economic conditions, advances in medical technology, changes in utilization and the cost of providing services. As SFY 2022 begins, a number of rate increases are due to take effect. Several changes to increase the amount of services available to adults were also made during the most recent legislative session that DHS will implement.

The Public Health Emergency (PHE) due to COVID-19 has had mixed results on health care expenditures nationally as well as in Arkansas. Enrollment, utilization, the use of telemedicine to deliver services, and increased vaccinations all have had various impacts on expenditures. While national health care expenditures slowed for much of 2020, the rate of spending is returning to pre-COVID levels.

The Division of Medical Services (DMS) has completed 11 rate reviews; four draft reports are out for provider comments; and six are under internal review. DMS has begun research on the next round of rates for:

- Non-primary care physician services
- Outpatient behavioral health services
- Inpatient hospital services
- Outpatient hospital services
- Home and Community Based Services (HCBS) and HCBS-like services under the PASSE program
- Autism waiver

DMS will also review potential changes to the nursing facility cost manual due to changes in Medicare allowable costs and the impact of COVID.

With the close of SFY 2021, we will submit the final scorecard for Medicaid Transformation 2017-2021 to you shortly. We greatly appreciate your continued support and leadership in this important matter.

Sincerely,



Cindy Gillespie
Secretary, Arkansas Department of Human Services

Medicaid Transformation Savings Scorecard and Quarterly Report

Q1 - SFY 2021



**ARKANSAS DEPARTMENT OF
HUMAN SERVICES**

July 6, 2021

A Four Section Report to Track Medicaid and Savings

- DHS is obligated to provide a quarterly report beginning with the first quarter of SFY18 that:
 - Includes a dashboard or scorecard to track savings from reforms approved by the Health Care Task Force (HCTF). The reforms target “at least \$835 million” in savings from traditional Medicaid.
 - Reports on all Medicaid programs to monitor spending and savings across the programs.
 - Measures the impact on Medicaid spending and other quality/performance indicators from implementation of provider-led organized care in Arkansas.
- Act 802 requires DHS to submit to the Bureau of Legislative Research an initial report on September 1, 2017, to establish the baseline for the quarterly reports.
- Act 802 further provides:
 - If project (sic) savings in an amount less than five percent (5%) of the goal are not achieved during any two (2) consecutive quarters unrelated to non-claims based performance, the department shall develop additional reforms to achieve the savings goals (emphasis added.)”
 - “If legislative action is required to implement the additional reforms ..., the Department may take the action to the Legislative Council or the Executive Subcommittee of the Legislative Council for immediate action.”



PASSE – Full Risk Provider-led Organizations

1. In addition to the \$835 million savings target, the final report to the HCTF projected that a provider-led risk-based care model for the BH and DD populations could be implemented by DHS in SFY 2021. The report estimated the risk-based model would produce \$40 million in savings in SFY 2021 when it would go “full risk.” These projected savings have therefore been added onto the \$835 million target for the SFY 2017-2021 period. PASSE went “full-risk in March 2019 (16 months ahead of schedule). The HCTF also projected “full risk” would generate \$56 million in premium tax in SFY 2021 and \$58 million in SFY 2022. DHS has adopted the SFY 2022 targets as the measures for SFY 2021.
2. Act 775 created the risk-based provider organizations (PASSEs) and reserved at least 50% of premium taxes to be used to reduce the DD waitlist.
3. Act 802 also directs DHS to measure (1) increase care management and care coordination; (2) value-based purchasing strategies; (3) reduction in duplication of healthcare services; (4) reduction in unnecessary healthcare services; and (5) the degree of risk assumed by risk-based provider organizations
4. Three provider-led organizations, Arkansas Total Care, Empower, and Summit Community Care, assumed full-risk for approximately 42,000 Medicaid recipients with high levels of need for BH and/or DD specialty services on March 1, 2019. The PASSEs receive a monthly capitated payment from DHS for each member to cover all specialty services and halo costs.

- As services are covered by a PASSE, there are reductions in direct payments to providers in fee-for-service (FFS) Medicaid for the individuals enrolled in a PASSE. DHS has applied a “risk corridor” that allows DHS and the PASSEs to share savings and protect PASSEs against unexpected high costs.
5. Each PASSE is required to provide care coordination. DHS can sanction a PASSE for failure to meet care coordination performance measures.
 6. PASSEs are allowed and encouraged to use value-based purchasing strategies with their network providers, but not required to do so.
 7. DHS will use encounter claims data analyses to determine reductions in duplication of health care services. Because of the lag time in obtaining clean encounters and the need for sufficient time for the PASSEs to gain experience, such analyses will occur in calendar year 2020 and thereafter.
 8. PASSEs have authority to ensure that healthcare is medically necessary for an individual. Encounter claims will be analyzed for this purpose as well.
 9. The PASSE program is regulated under federal Medicaid managed care rules and state health insurance rules.



HCTF Baseline Projected Spending With Traditional Medicaid Transformation Initiatives and DD and BH Provider-Led Model (PASSE)

Spending and Savings by Year & Program Dollars in Millions (\$M)	SFY 2017	SFY 2018	SFY 2019	SFY 2020	SFY 2021	SFY 2017-21
*HCTF Baseline, Traditional Medicaid	\$5,379	\$5,648	\$5,930	\$6,227	\$6,538	\$29,722
‡HCTF Projected Traditional Spending with Transformation Initiatives	\$5,302	\$5,495	\$5,757	\$6,026	\$6,322	\$28,902
HCTF Projected Traditional Spending with Transformation Initiatives and Full-risk Provider-led Model	\$5,302	\$5,495	\$5,757	\$6,026	\$6,227	\$28,806
HCTF Projected Savings with Traditional and Full-risk Provider-led Model for BH and DD	\$77	\$153	\$173	\$201	\$311	\$915
HCTF Full-risk Provider-Led Model for BH and DD “PASSE” Projected Savings	\$0	\$0	\$0	\$0	\$40	\$40
HCTF Full-risk Provider-Led Model for BH and DD “PASSE” Projected Premium Tax Revenue	\$0	\$0	\$0	\$0	\$56	\$56



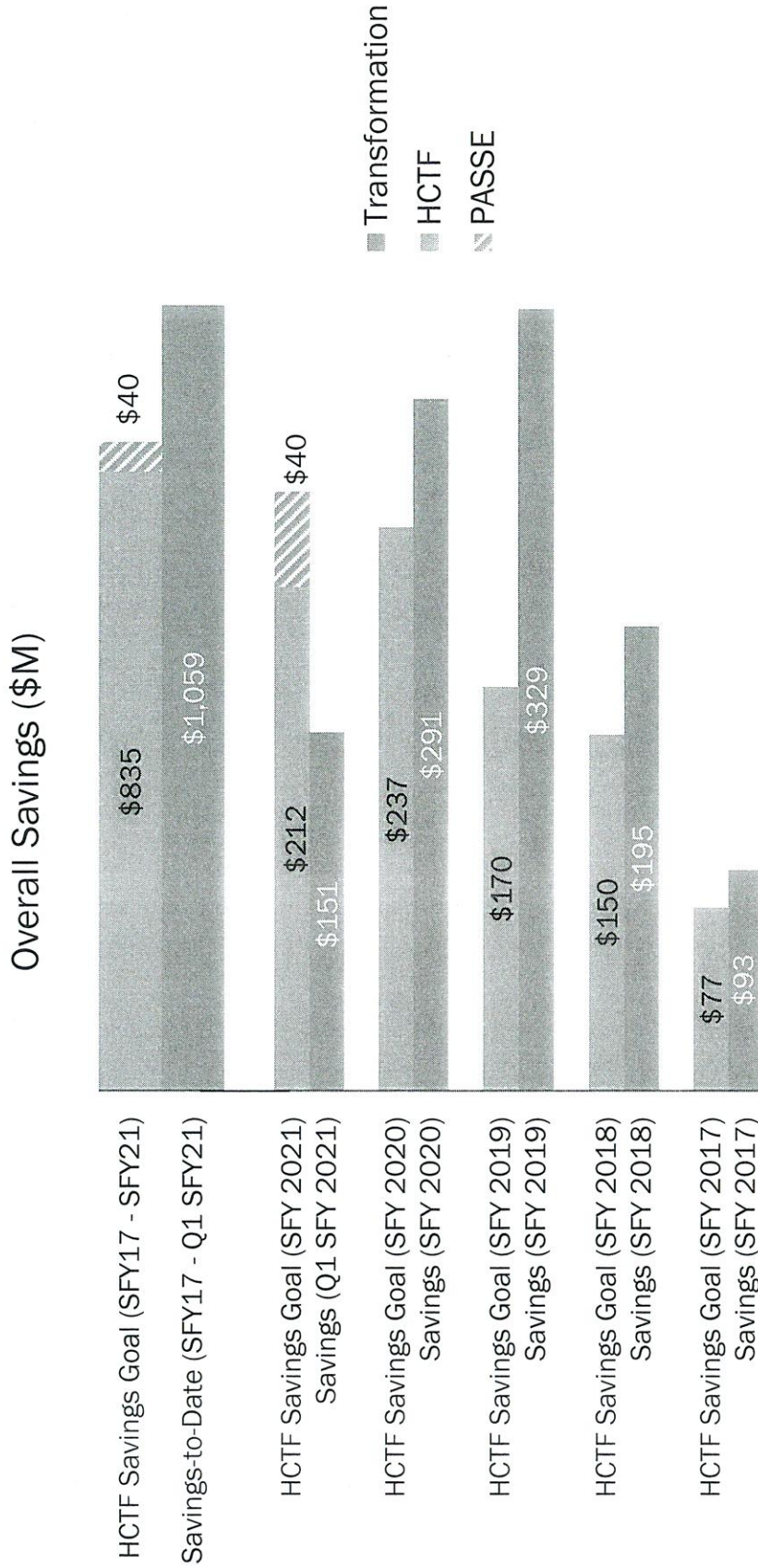
SECTION I

Medicaid Transformation Savings Scorecard

Traditional Medicaid Scorecard

Savings Overview

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Note(s): (1) SFY 2019 savings were adjusted due to the PASSEs becoming full risk in March 2019. This resulted in a \$73M reduction in Overall SFY 2019 savings from \$402M to \$329M

(2) In prior scorecards the Dental premium tax was counted towards savings. Starting in SFY 2020, all premium taxes (Dental and PASSE) will be counted as a fiscal impact. Therefore HCTF savings goals for SFY 2018 and SFY 2019 were reduced by \$3M each year (the amount of Dental premium tax).



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Source(s): (1) Quarter 1 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 13

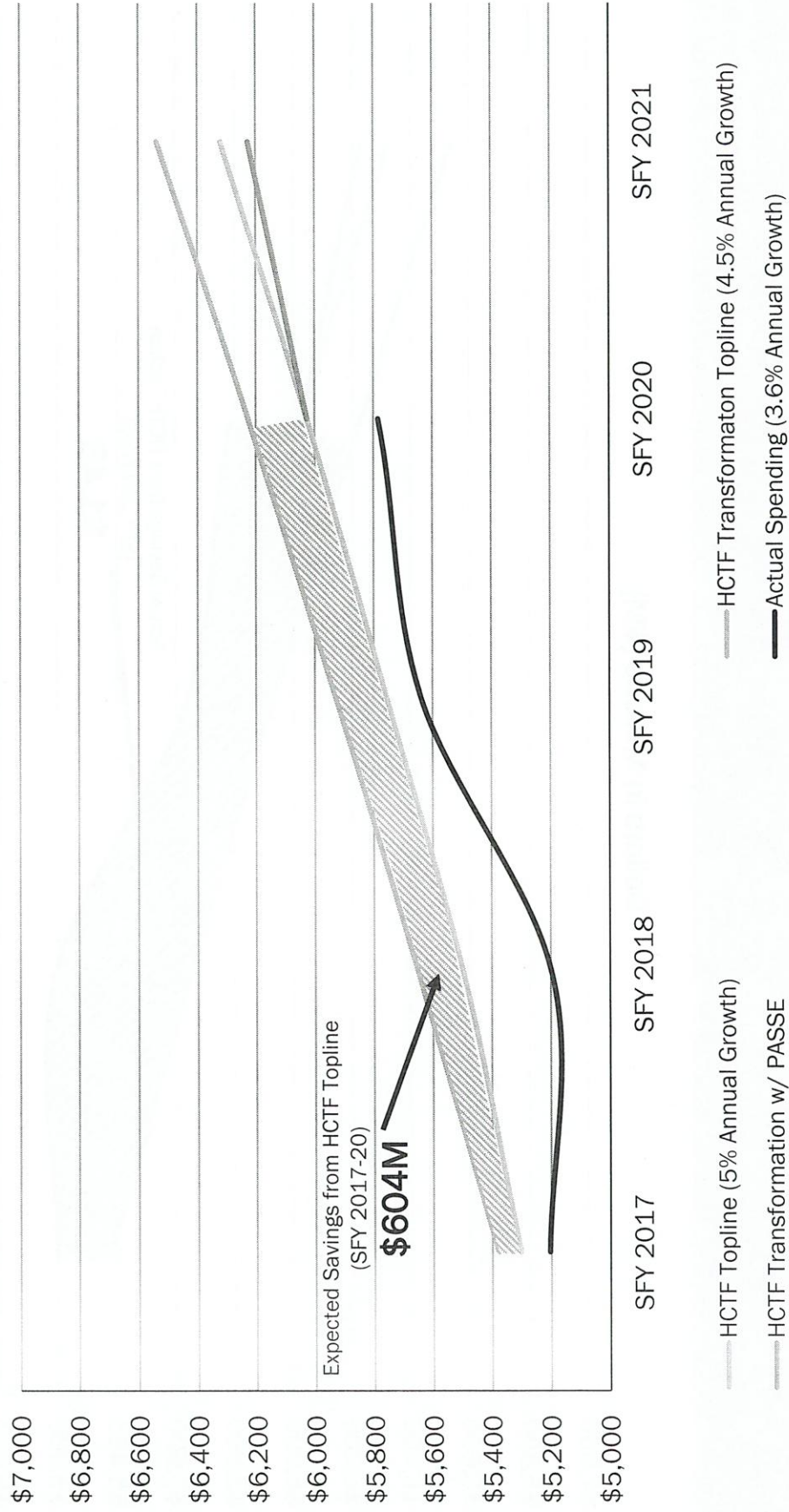
- Bar Charts Not To Scale -

Traditional Medicaid Spending vs HCTF Toplines

SFY 2017-2021

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Dollars in Millions (\$M)



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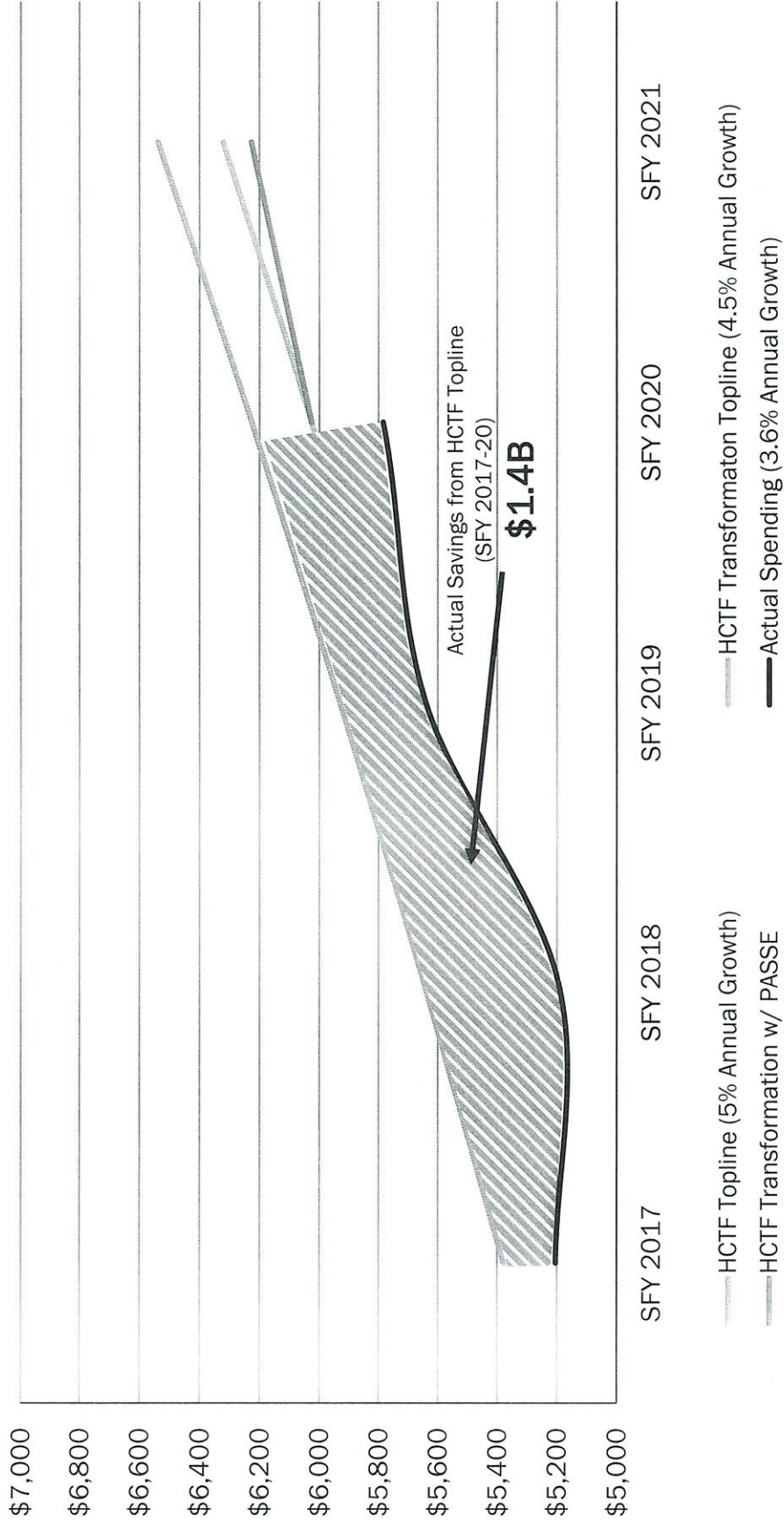
Source(s): (1) Arkansas Health Care Reform Task Force - Final Report, The Stephens Group (12/15/2016)
(2) COS Weekly SFY2017-19 - Week 52

Traditional Medicaid Spending vs HCTF Toplines

SFY 2017-2021

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Dollars in Millions (\$M)



ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): (1) Arkansas Health Care Reform Task Force - Final Report, The Stephens Group (12/15/2016)
(2) COS Weekly SFY2017-19 - Week 52

Traditional Medicaid Scorecard

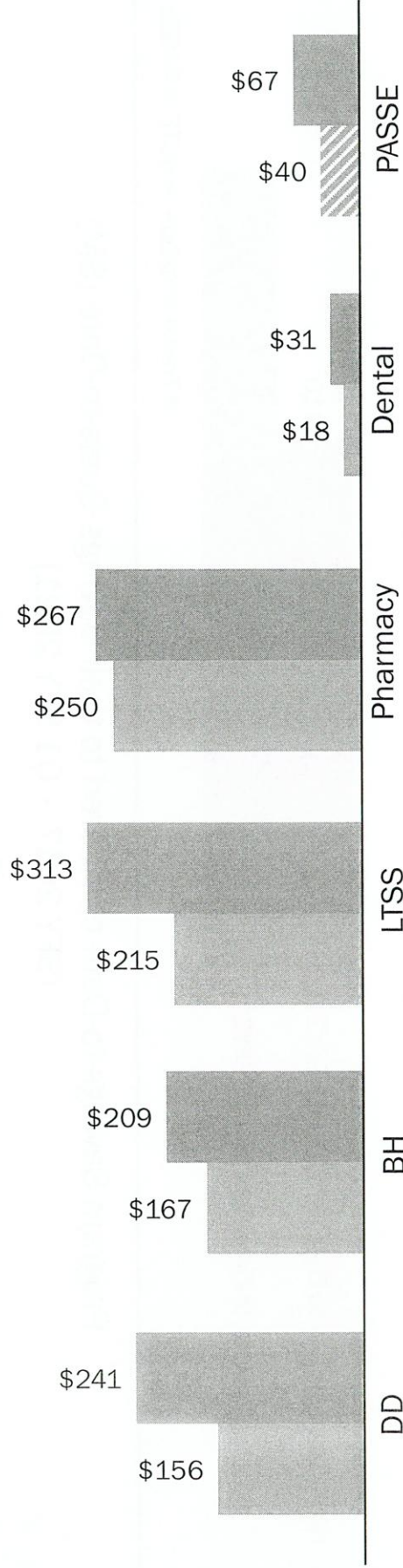
Savings Overview by Program

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Overall Savings (\$M)



Program Savings (SFY17 - Q1 SFY21) compared to their SFY 2017-21 HCTF Savings Goals (\$M)



Note(s): (1) Pharmacy savings does not factor in drug rebates. It is calculated using gross pharmacy expenditures.
 (2) SFY 2019 savings were adjusted due to the PASSEs becoming full risk in March 2019. This resulted in a \$73M reduction in Overall SFY 2019 savings from \$402M to \$329M



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Source(s): (1) Quarter 1 - SFY 2021 Scorecard Calculations
 (2) COS Weekly SFY2021 - Week 13

- Bar Charts Not To Scale -

Traditional Medicaid Scorecard

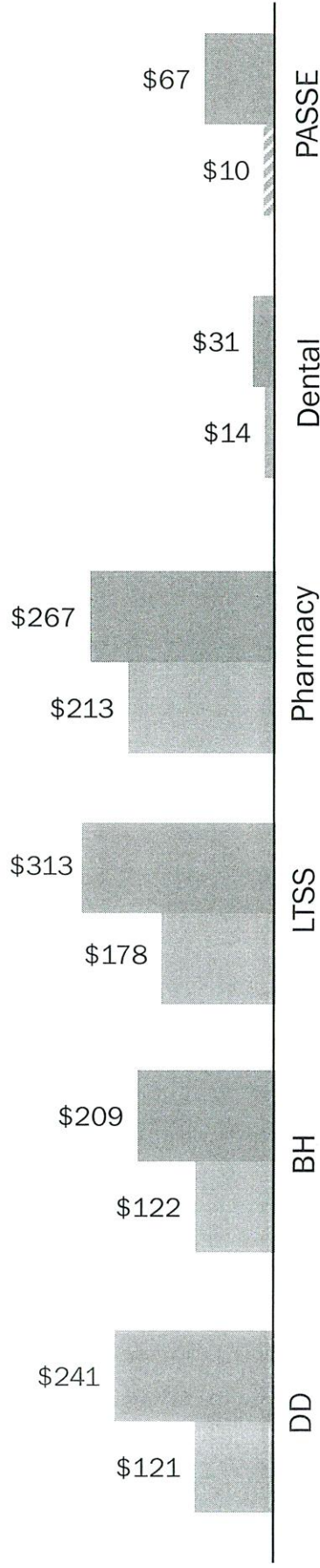
Savings-to-Date (SFY 2017 - Q1 SFY 2021)

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Overall Savings-to-Date (\$M) (SFY 2017 - Q1 SFY 2021)



Program Savings-to-Date compared to their Savings Goals-to-Date (\$M) (SFY 2017 - Q1 SFY 2021)



Note(s): (1) Pharmacy savings does not factor in drug rebates. It is calculated using gross pharmacy expenditures.
(2) SFY 2019 savings were adjusted due to the PASSEs becoming full risk in March 2019. This resulted in a \$73M reduction in Overall SFY 2019 savings from \$402M to \$329M



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Source(s): (1) Quarter 1 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 13

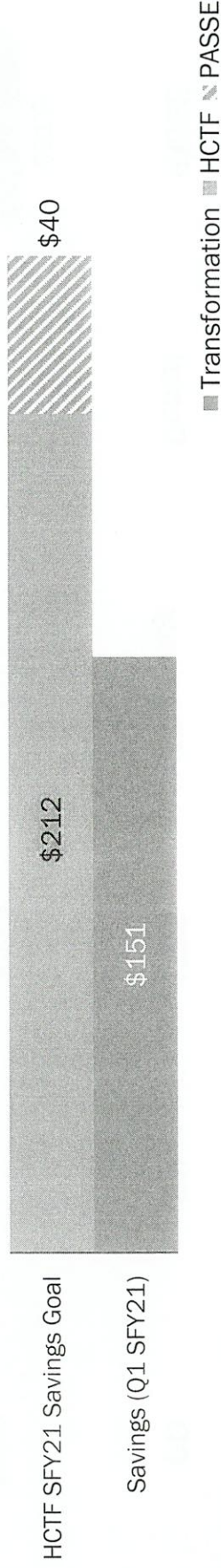
- Bar Charts Not To Scale -

Traditional Medicaid Scorecard

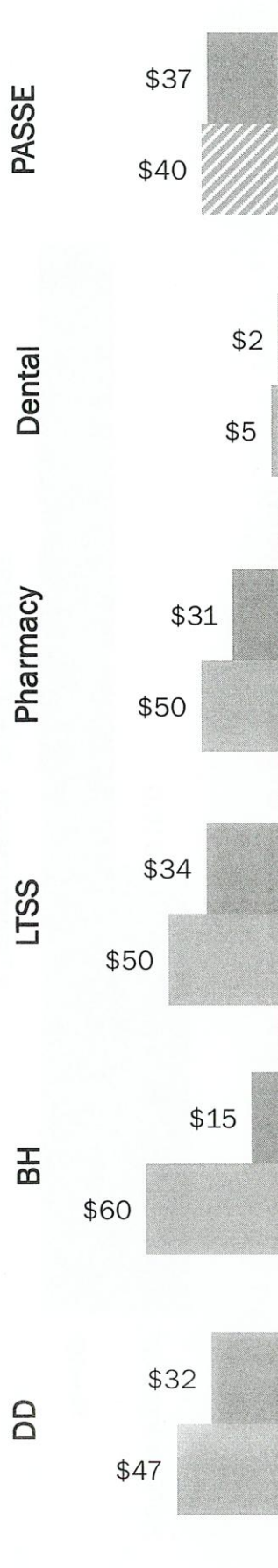
SFY 2021

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Overall Savings (\$M)



SFY 2021 Savings by Program (\$M)



Note(s): Pharmacy savings does not factor in drug rebates. It is calculated using gross pharmacy expenditures.



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Source(s): (1) Quarter 1 – SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 – Week 13

- Bar Charts Not To Scale -

Traditional Medicaid Scorecard

Q1 – SFY 2021

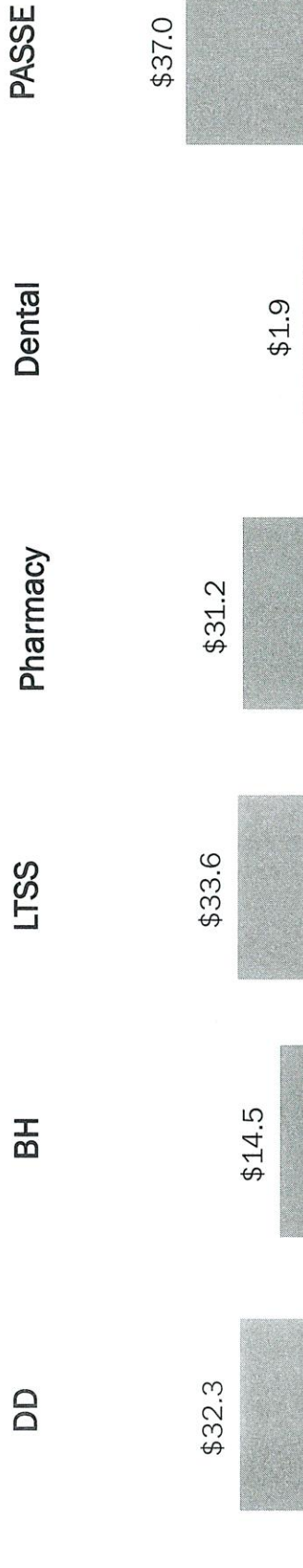
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Q1 – SFY 2021 Overall Savings (\$M)



■ Transformation ■ HCTF ■ PASSE

Q1 – SFY 2021 Savings by Program (\$M)



Note(s): Pharmacy savings does not factor in drug rebates. It is calculated using gross pharmacy expenditures.



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Source(s): (1) Quarter 1 – SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 – Week 13

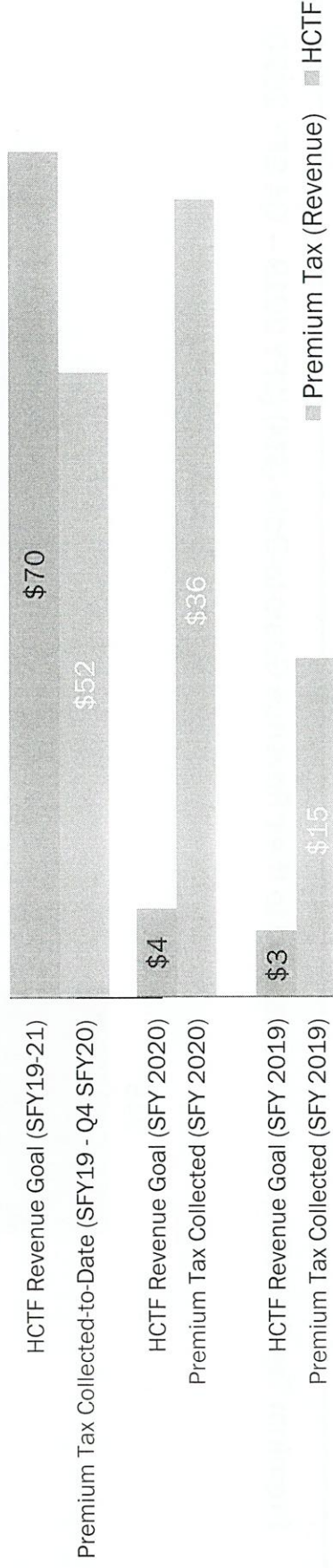
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Traditional Medicaid Scorecard

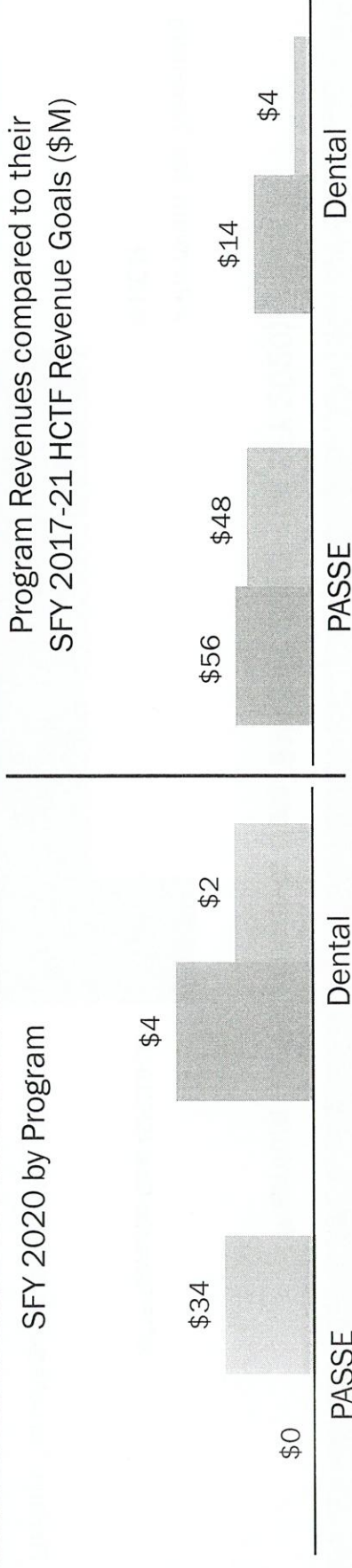
HCTF Premium Tax Overview

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Overall Premium Taxes Collected (\$M)



Program Revenues compared to their SFY 2017-21 HCTF Revenue Goals (\$M)



Note(s): The Arkansas Insurance Department (AID) collects premium taxes on Dental Managed Care and PASSE organizations 45 days following the end of the quarter. As a result, the scorecard can only report the previous quarter's premium tax payments. HCTF Revenue Goal for PASSE begins in SFY2021.

- Bar Charts Not To Scale -



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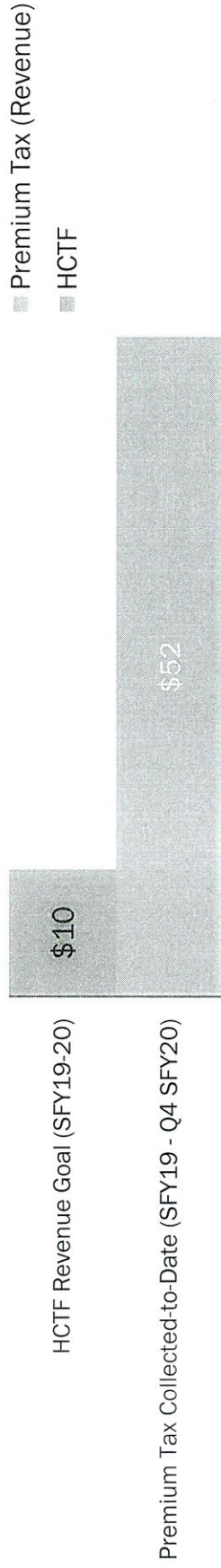
Source(s): (1) Quarter 1 - SFY 2021 Scorecard Calculations
(2) 2020 RBFO Premium Tax Collections-4thQ_annual update (12.8.20)

Traditional Medicaid Scorecard

HCTF Premium Tax Collections-to-Date (SFY 2017-20)

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Premium Tax Collections-to-Date (\$M) (SFY 2019 – Q4 SFY 2020)



Premium Tax Collections-to-Date compared to their Revenue Goals-to-Date (\$M) (SFY 2019 – Q4 SFY 2020)



Note(s): The Arkansas Insurance Department (AID) collects premium taxes on Dental Managed Care and PASSE organizations 45 days following the end of the quarter. As a result, the scorecard can only report the previous quarter's premium tax payments. HCTF Revenue Goal for PASSE begins in SFY 2021.

- Bar Charts Not To Scale -



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Source(s): (1) Quarter 1 – SFY 2021 Scorecard Calculations
(2) 2020 RBPO Premium Tax Collections-4thQ_annual update (12.8.20)

Medicaid Transformation Spend by Quarter

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Spending & Savings by Year & Program Dollars in Millions (\$M)	Q1 - SFY20 Actual	Q2 - SFY20 Actual	Q3 - SFY20 Actual	Q4 - SFY20 Actual	Q1 - SFY21 HCTF Topline (5% Annual Increase)	Q1 - SFY21 Actual	Q1 - SFY21 Savings/ (Cost)
Developmentally Disabled (DD)	\$83.0	\$94.3	\$94.6	\$67.3	\$104.3	\$72.0	\$32.3
Behavioral Health (BH)	\$15.3	\$17.0	\$15.1	\$16.3	\$27.4	\$12.9	\$14.5
Long Term Services & Supports (LTSS)	\$240.8	\$231.1	\$235.6	\$278.5	\$278.2	\$244.6	\$33.6
Pharmacy	\$71.1	\$77.2	\$82.7	\$72.0	\$105.1	\$73.9	\$31.2
Dental	\$34.8	\$35.1	\$33.8	\$35.0	\$38.8	\$36.9	\$1.9
Grand Total	\$445.0	\$454.6	\$461.8	\$469.1	\$553.8	\$440.3	\$113.5

Note(s): (1) Further details of each section can be found in Section III and the Appendix

(2) The reductions in DD and BH spending from previous scorecards is the result of removing PASSE participants and/or programs affected by the PASSE

(3) Pharmacy savings are based on gross pharmacy expenditures. It does not factor in drug rebates.



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Source(s): (1) Quarter 1 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 13

Savings Attributed to Provider-Led (PASSE)

SFY 2021

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Per Member Per Month (PMPM)	Values / Amounts
Projected Baseline PMPM for SFY 2021	\$2,470
Q1 - 2021 PASSE PMPM (Actual)	\$2,188
PMPM Savings (Q1 2021 Projected - Q1 2021 Actual)	\$282
Q1 - 2021 Quarterly Enrollment Member Months	131,390
PASSE Savings / (Cost) Q1 - 2021	\$37.0 M

Note(s): PASSE rates are set on a calendar year basis. To hold the savings target constant, savings are calculated by using the composite PMPM from SFY 2020 indexed by 4.5% annual growth. The savings are the difference between the baseline and the actual PMPM multiplied by member months in the quarter.



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Source(s): Quarter 1 - SFY 2021 Scorecard Calculations

Traditional Medicaid Spend by Quarter

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Spending & Savings by Year & Program Dollars in Millions (\$M)	Q1 - SFY20 Actual	Q2 - SFY20 Actual	Q3 - SFY20 Actual	Q4 - SFY20 Actual	Q1 - SFY21 Actual
Institutional Medical Services	\$147.5	\$162.1	\$152.8	\$166.6	\$141.5
Non-Institutional Medical Services	\$119.5	\$131.8	\$132.0	\$100.0	\$113.9
Habilitative & Rehabilitative Services	\$112.4	\$124.3	\$123.8	\$72.0	\$100.5
Long-Term Services & Supports	\$302.5	\$284.8	\$295.1	\$312.4	\$293.5
Pharmacy	\$71.2	\$77.2	\$82.8	\$72.1	\$73.9
Capitated Payments (Includes PASSE, NET, PCMH, and Dental Managed Care)	\$446.9	\$402.3	\$324.3	\$293.0	\$324.3
Supplementals/Cost-Settlements/Access Payments	\$169.0	\$16.1	\$207.5	\$219.1	\$167.0
Non-Claims Payments	\$126.5	\$117.7	\$141.3	\$278.2	\$167.3
Total Traditional Medicaid	\$1,495.5	\$1,316.2	\$1,459.7	\$1,513.3	\$1,382.0

Note(s): (1) These categories contain Contracts, HDCs, Part D claw backs, and other programs which are not part of transformation

(2) As the PASSEs pay for Medical Services, Habilitative & Rehabilitative Services, and Prescription Drugs for their members, there will be corresponding reductions in those fee-for-service expenditures.



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Source(s): (1) Quarter 1 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 13

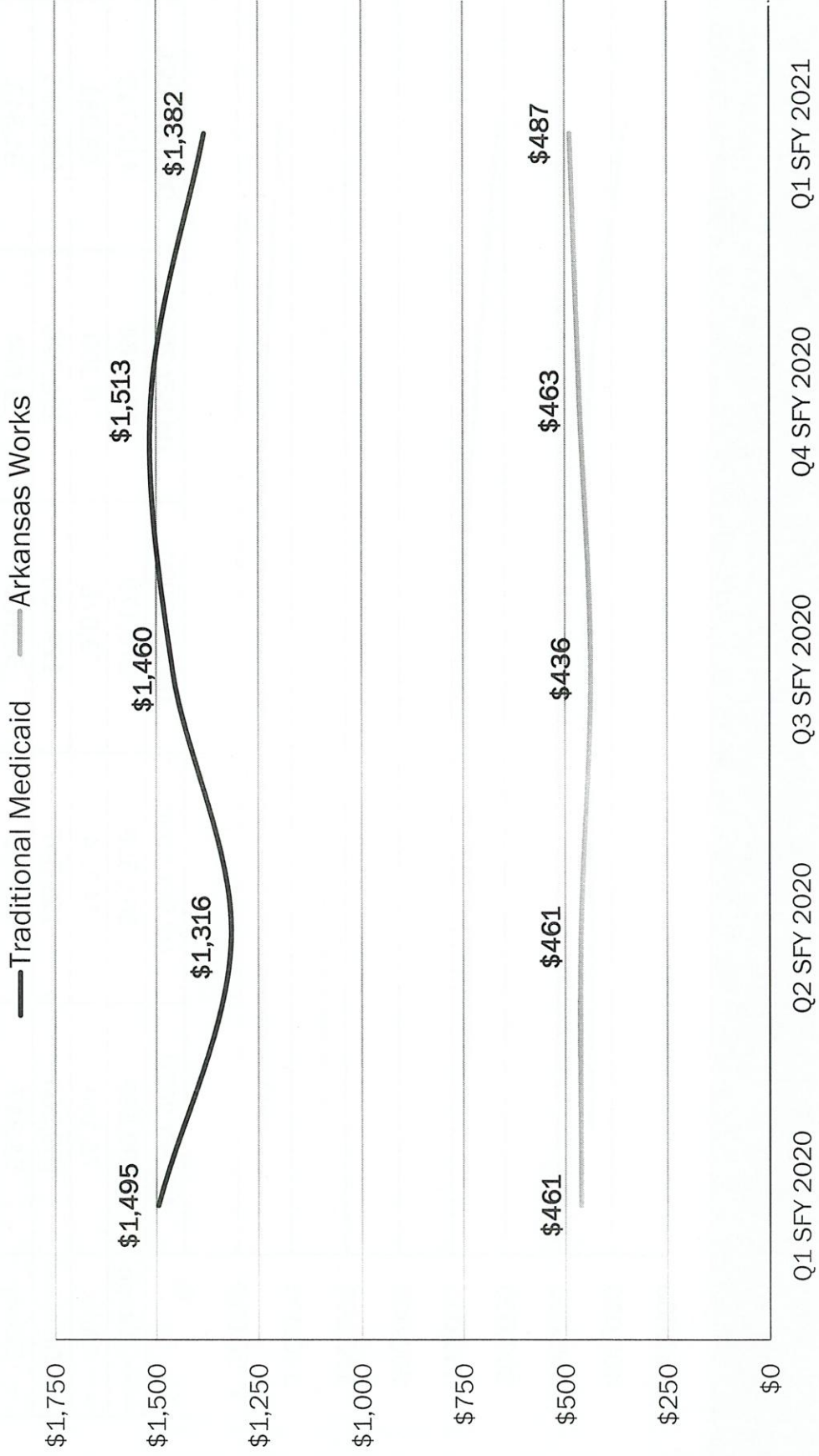
SECTION II

Medicaid Enrollment & Spending Report

Overall Medicaid Spend by Quarter (\$M)

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



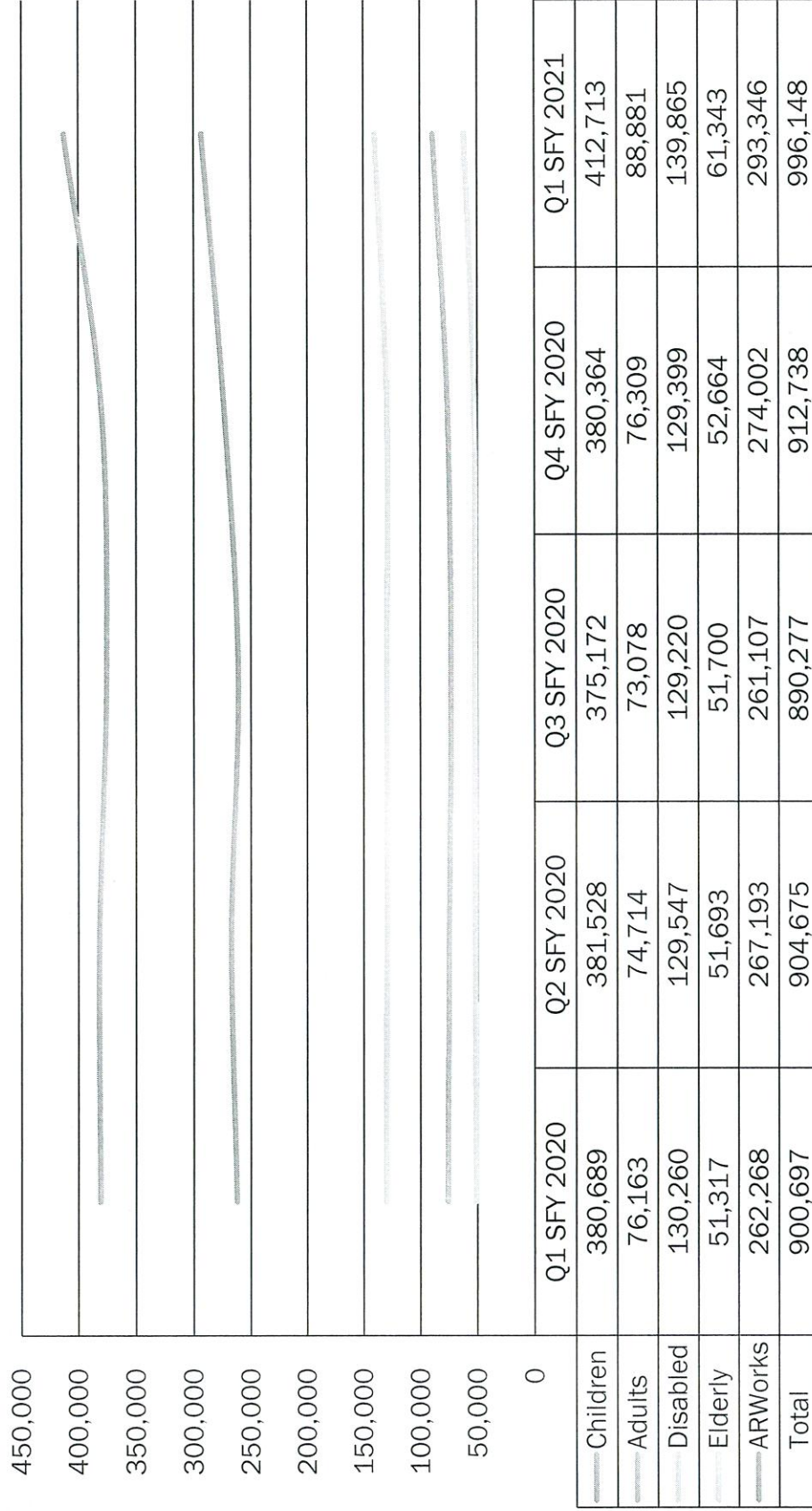
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Source(s): COS Weekly SFY2021 - Week 13

Medicaid Enrollment by Quarter

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Note(s): This enrollment report was run on Dec 2, 2020. Enrollment is counted on the last day of each month. Due to the COVID-19 public health emergency starting in Q4, Medicaid suspended disenrollment.



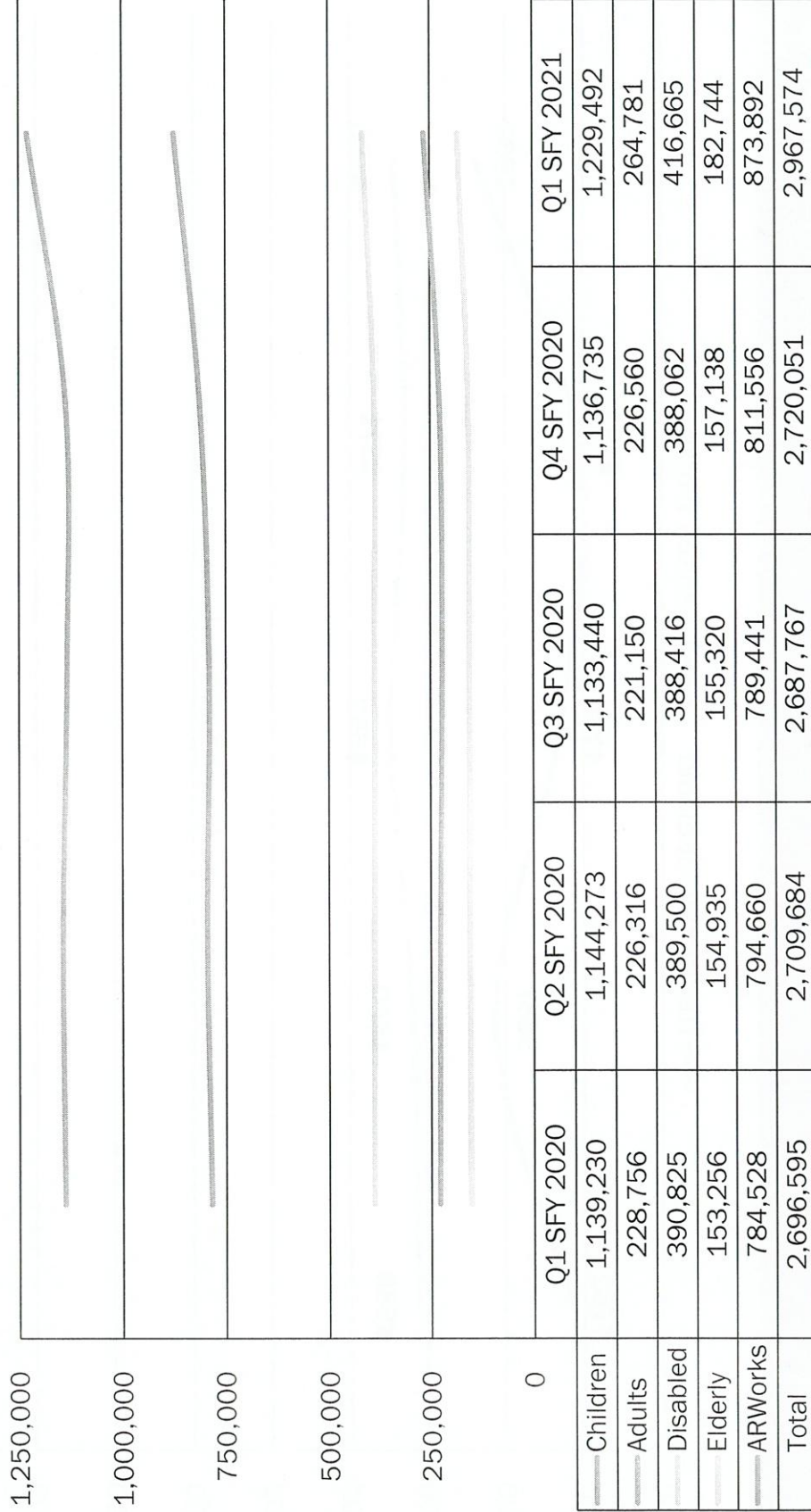
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Source(s): Quarterly Enrollment by Group (12.02.20)

Medicaid Member Months by Quarter

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Note(s): This enrollment report was run on Dec 2, 2020. Enrollment is counted on the last day of each month. Due to the COVID-19 public health emergency starting in Q4, Medicaid suspended disenrollment.



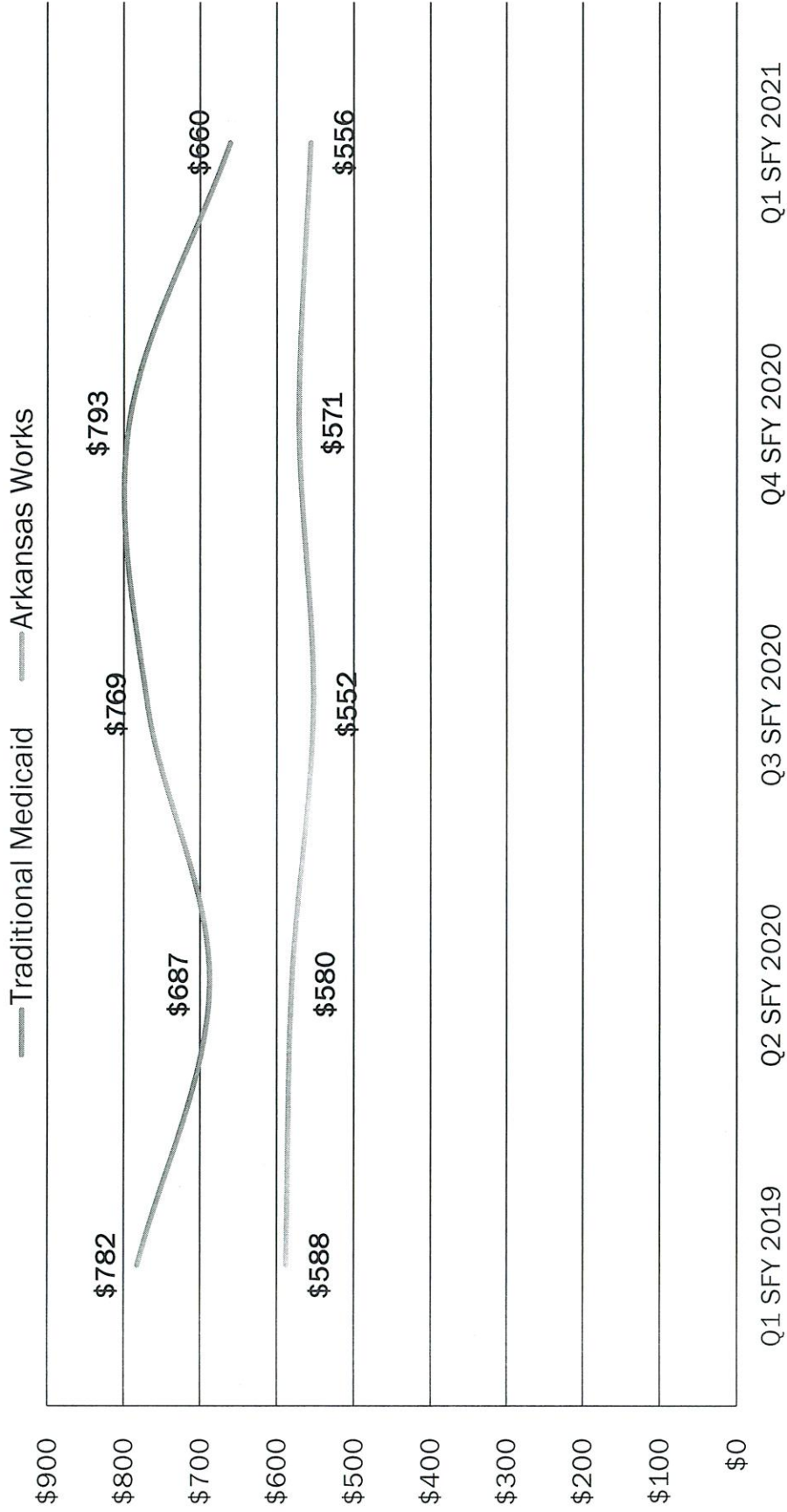
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Source(s): Quarterly Enrollment by Group (12.02.20)

Medicaid Quarterly Per Member Per Month (PMPM)

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Note(s): This enrollment report was run on Dec 2, 2020. Enrollment is counted on the last day of each month.



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Source(s): (1) COS Weekly SFY2021 - Week 13
(2) Quarterly Enrollment by Group (12.2.20)

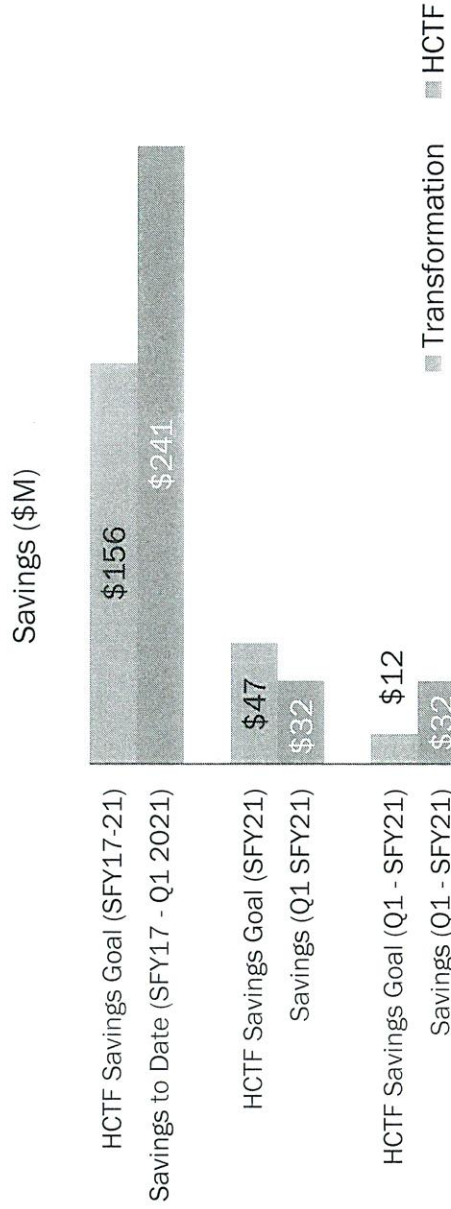
SECTION III

Program Scorecards

Developmentally Disabled (DD)

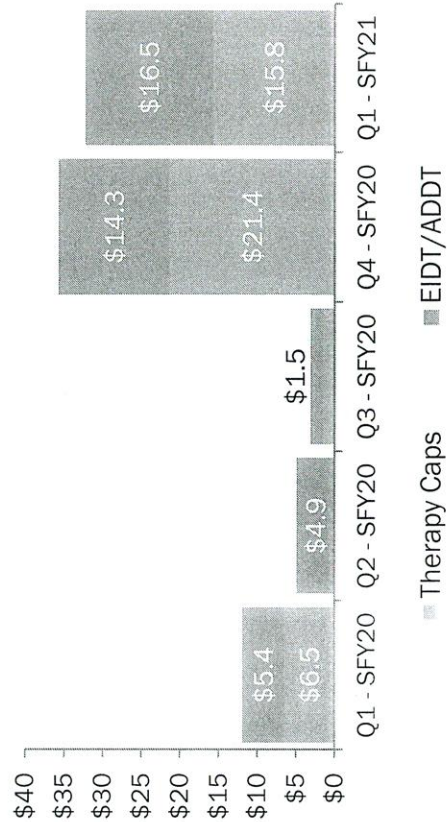
Savings Overview

Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency

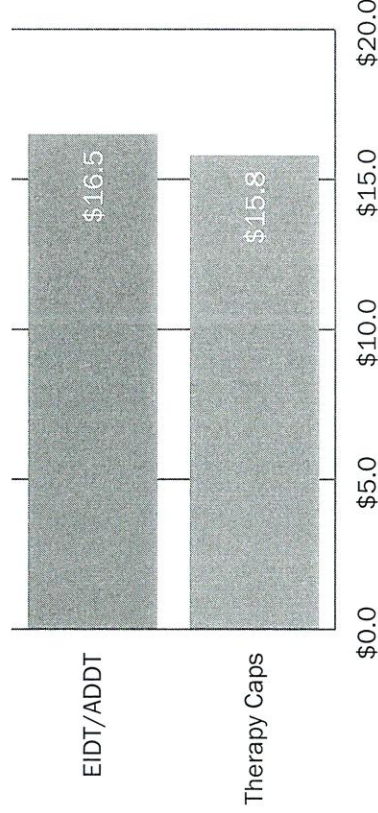


The vast majority of ICF and DD Waiver (Autism and CES) users have transitioned over to the PASSEs. As a result, starting in Q1 - SFY 2020 the Scorecard will only measure savings on Therapy Caps and EIDT/ADDI.

Savings per Quarter (\$M)



Q1 - Q4 SFY 2021 Cumulative Savings (\$M)



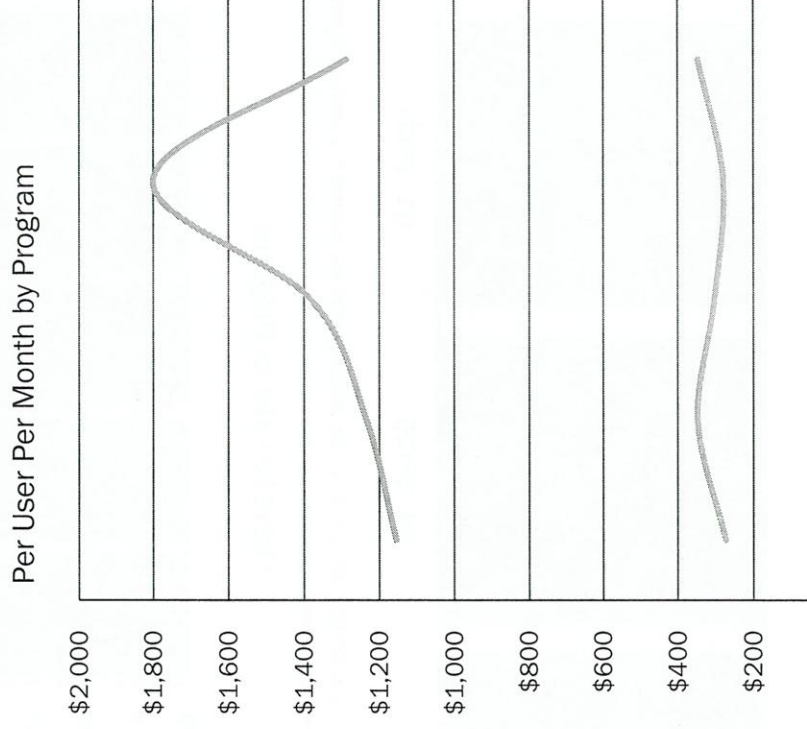
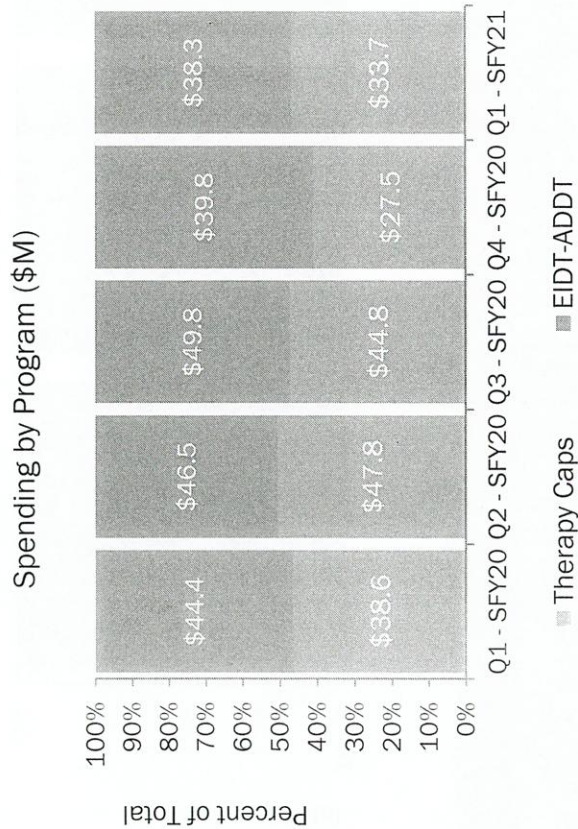
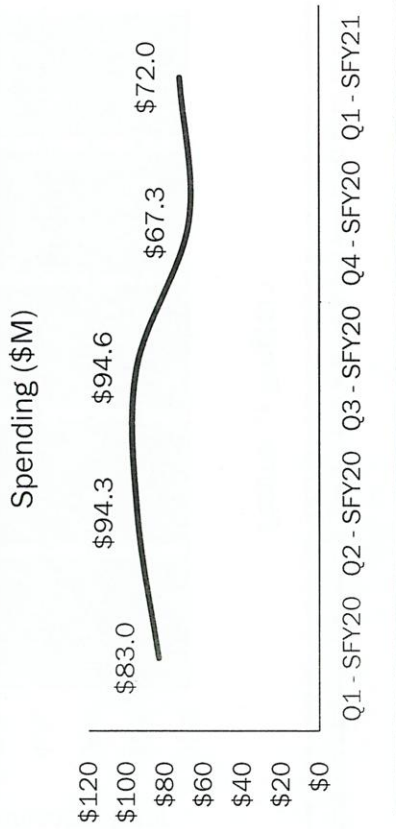
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Source(s): Quarter 1 - SFY 2021 Scorecard Calculations

Developmentally Disabled (DD)

Spending Overview

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Category	Q1 SFY20	Q2 SFY20	Q3 SFY20	Q4 SFY20	Q1 SFY21
Therapy Caps	\$273	\$347	\$303	\$279	\$347
EIDT-ADDT	\$1,155	\$1,235	\$1,381	\$1,800	\$1,287



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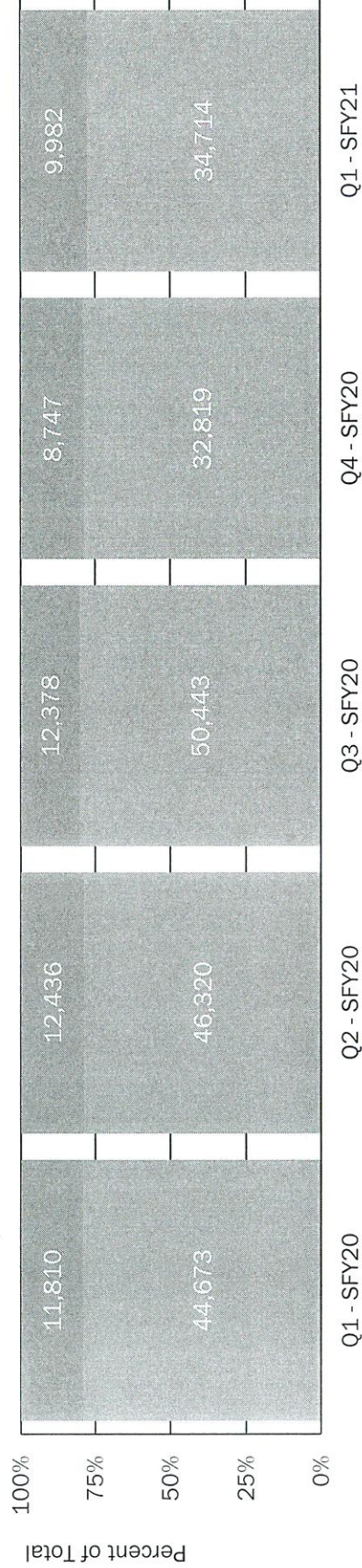
Source(s): COS Weekly SFY2021 - Week 13

Developmentally Disabled (DD)

Program Overview

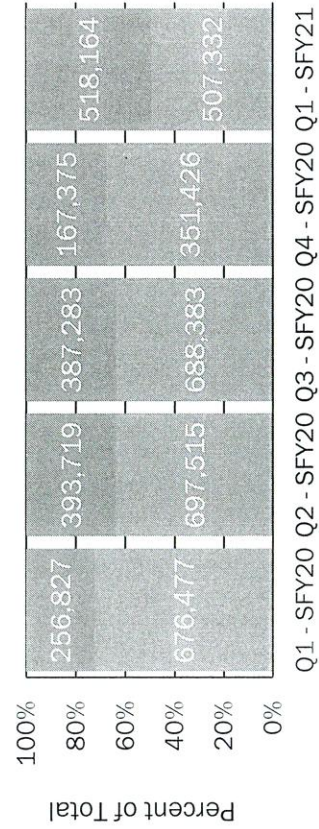
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Users by Program

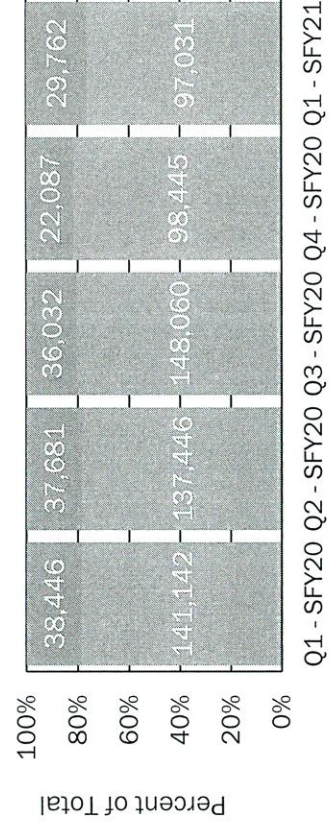


Note(s): Users are the number of people who receive services that were billed under various categories of service. Users DO NOT reflect the number of people who are enrolled in a waiver program.

Claims by Program



Users Months by Program



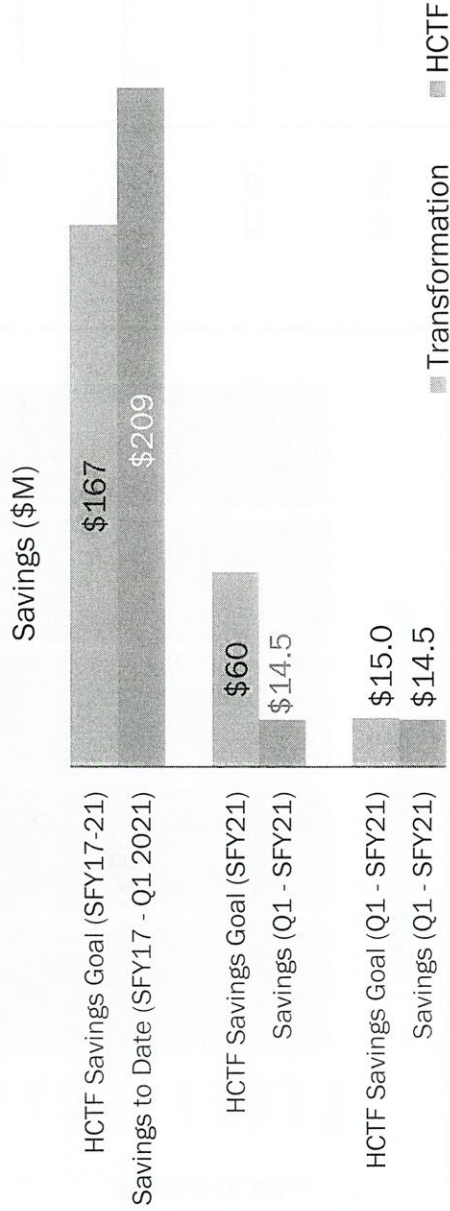
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Source(s): 5151 Scorecard - DD year over year and monthly (10.28.20)

Behavioral Health (BH)

Savings Overview

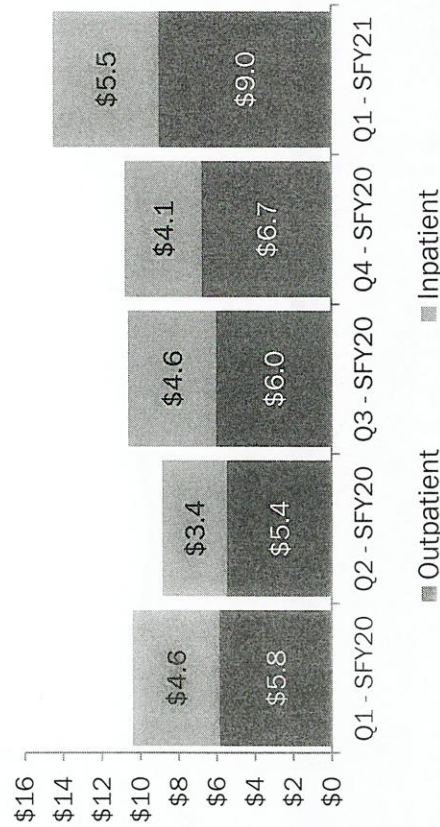
Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency



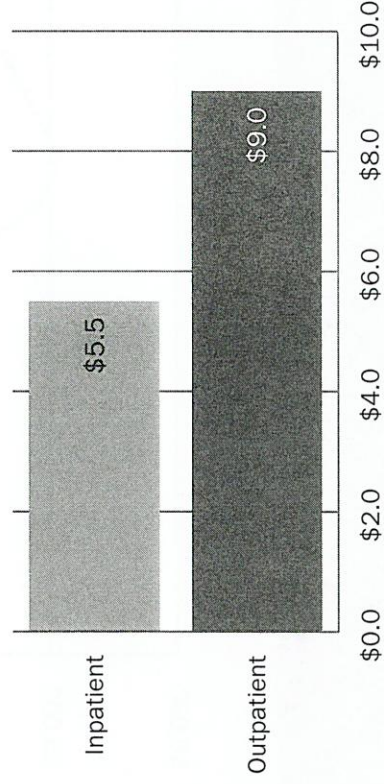
Due to the vast majority of Inpatient and Outpatient BH users transitioning over to the PASSEs, starting in Q1 - SFY 2020 the Scorecard will only measure savings on Non-PASSE users of Inpatient and Outpatient BH services.

As a result, the totals shown on page 29 and 30 reflect those of Non-PASSE users.

Savings per Quarter (\$M)



Q1 - Q4 SFY 2021 Cumulative Savings (\$M)



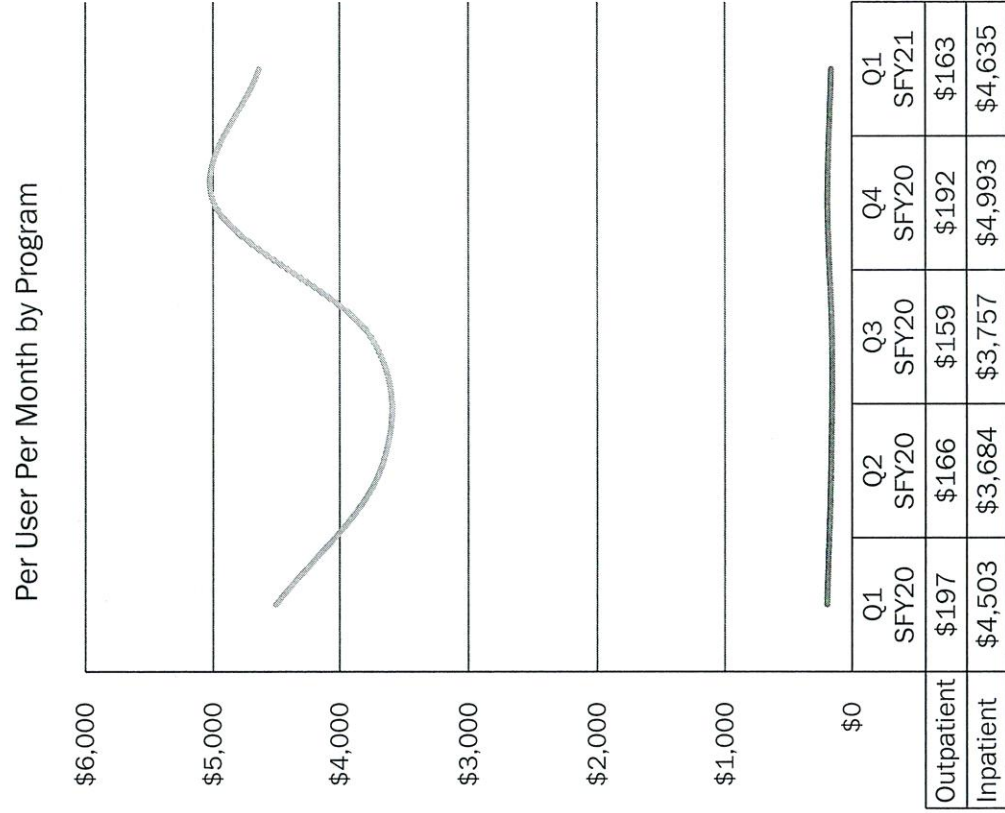
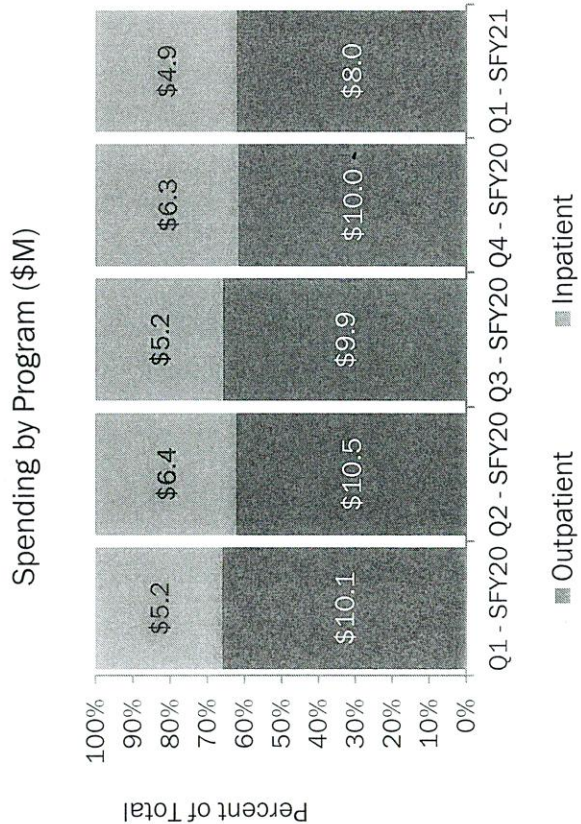
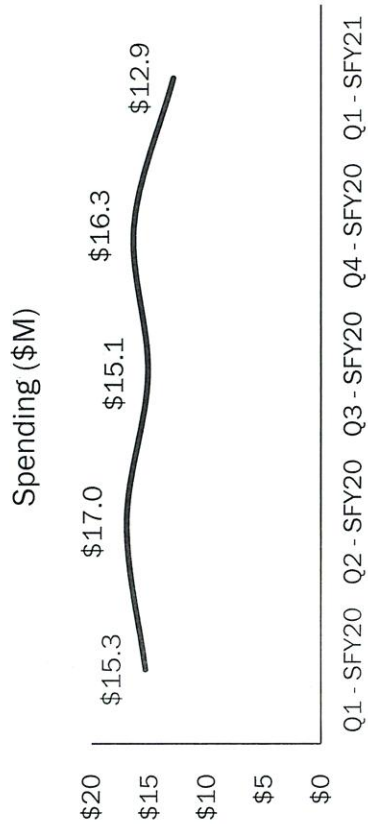
ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): Quarter 1 - SFY 2021 Scorecard Calculations

Behavioral Health (BH)

Spending Overview

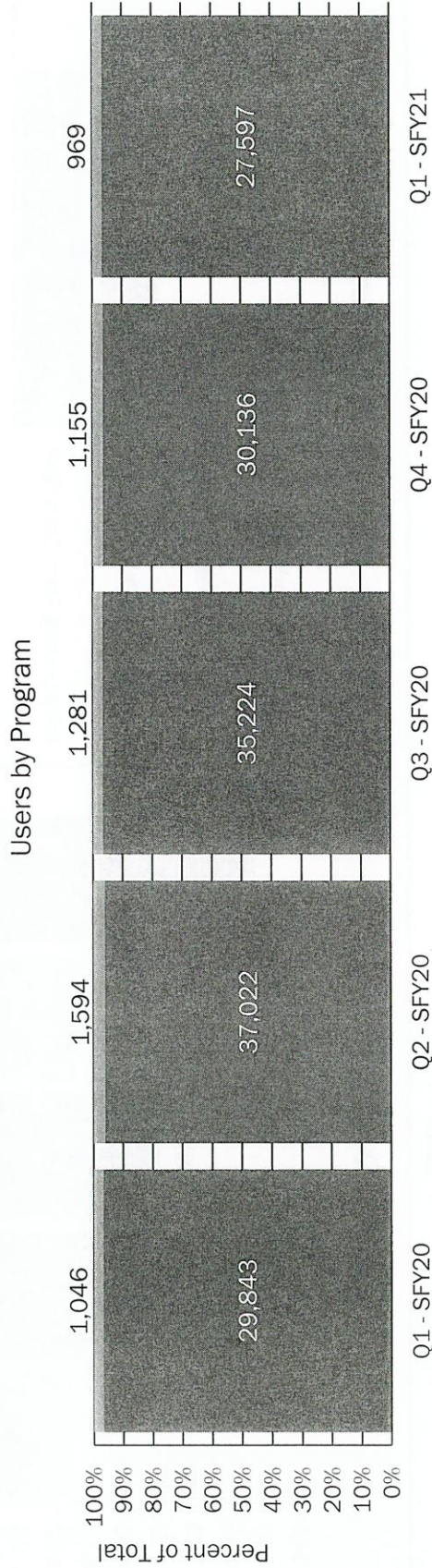
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



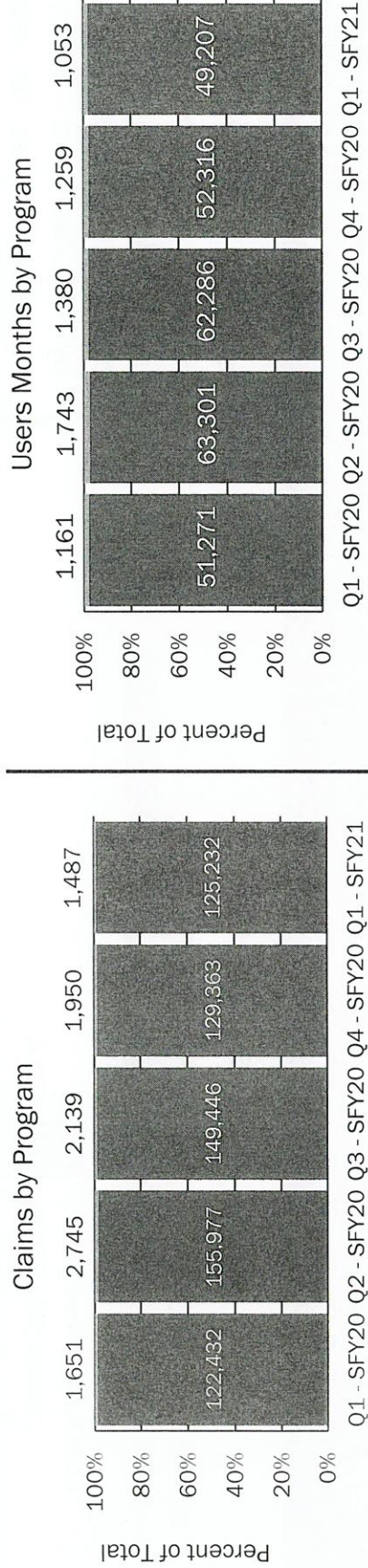
Behavioral Health (BH)

Program Overview

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Note(s): Users are the number of people who receive services that were billed under various categories of service. Users DO NOT reflect the number of people who are enrolled in a waiver program.



■ Outpatient ■ Inpatient

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HUMAN SERVICES

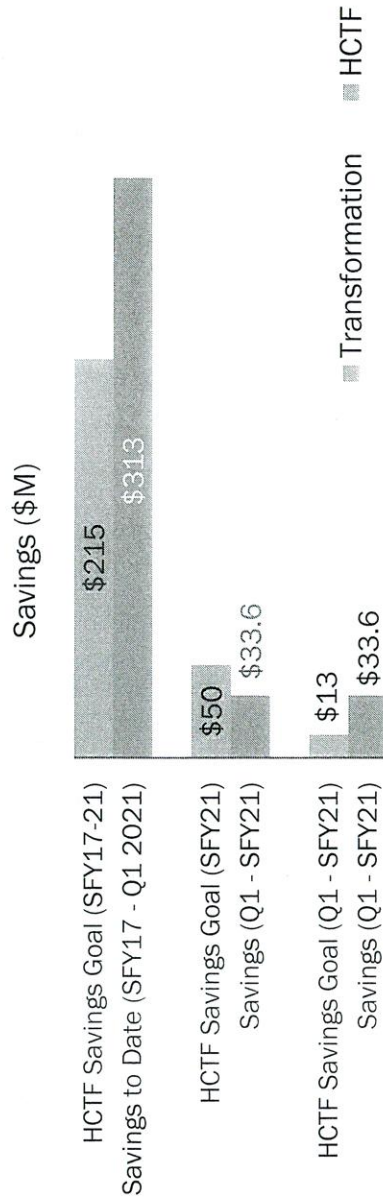


Source(s): 9713 Scorecard - BH IP OP with Amt Range (10.28.20)

Long Term Services and Supports (LTSS)

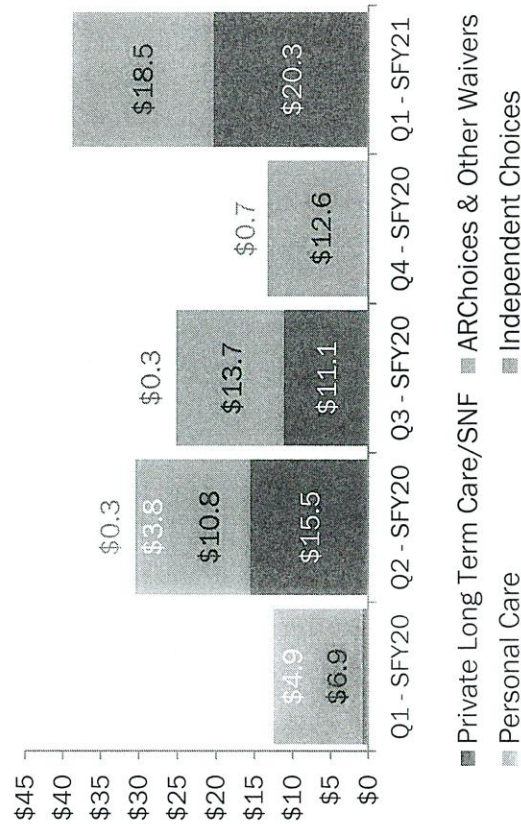
Savings Overview

Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency

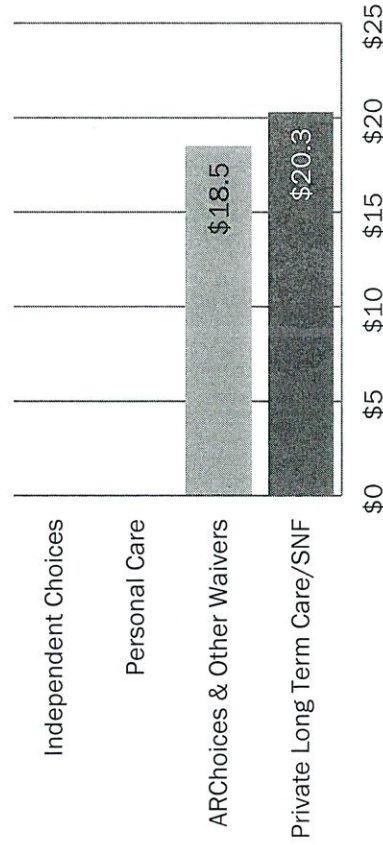


In Q1 - SFY 2021, Personal Care and Independent Choices were over their savings targets by \$3.7M and \$1.5M respectively due to rate increases for both programs.

Savings per Quarter (\$M)



Q1 - Q4 SFY 2021 Cumulative Savings (\$M)



Note(s): (1) In Q1 - SFY 2020, Independent Choices was over their savings target by \$116K
 (2) In Q3 - SFY 2020, Personal Care was over their savings target by \$25K
 (3) In Q4 - SFY 2020, Personal Care and Private SNFs were over their savings targets by \$7.2M and \$9.8M respectively



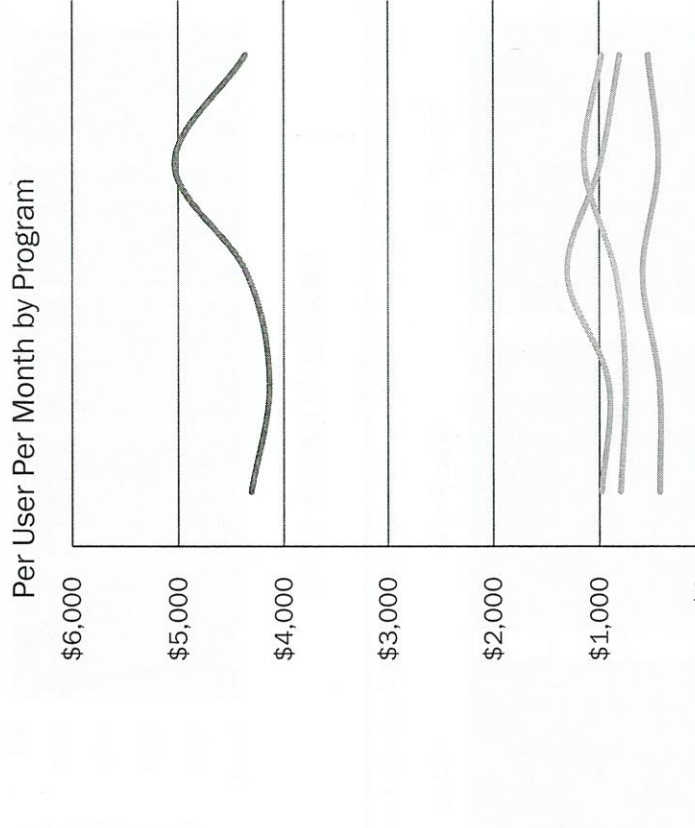
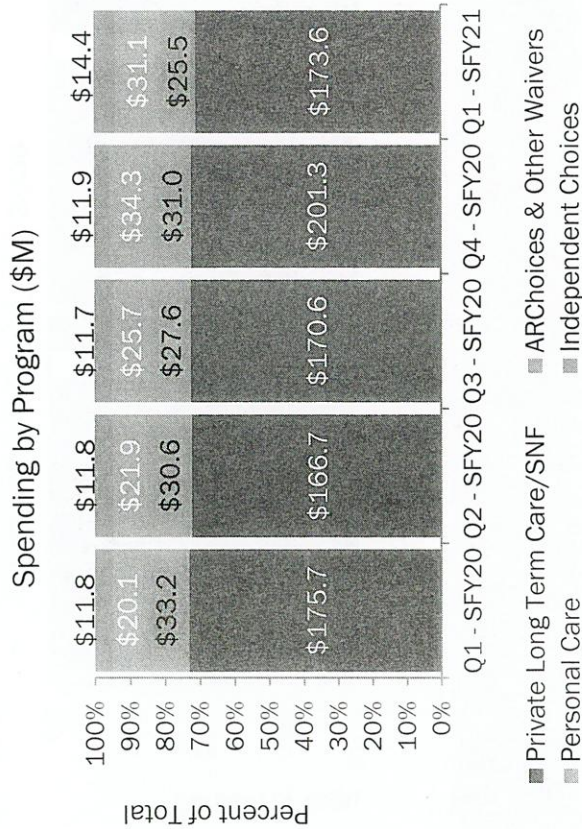
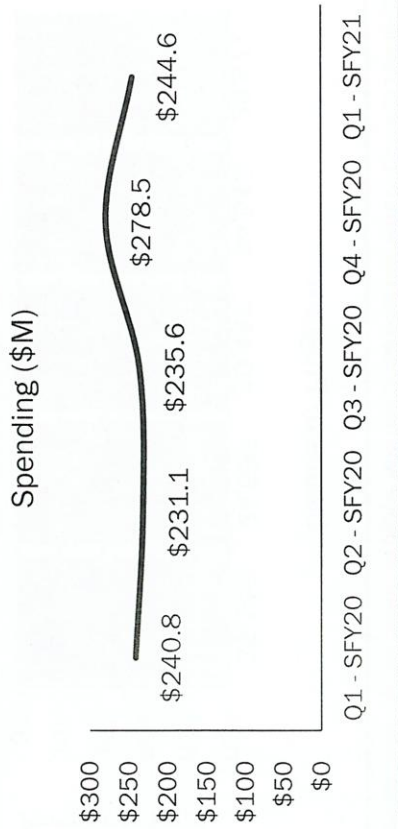
ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): Quarter 1 - SFY 2021 Scorecard Calculations

Long Term Services and Supports (LTSS)

Spending Overview

Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency



Program	Q1 SFY20	Q2 SFY20	Q3 SFY20	Q4 SFY20	Q1 SFY21
Private Long Term Care/SNF	\$4,311	\$4,140	\$4,352	\$5,030	\$4,365
ARChoices & Other Waivers	\$978	\$912	\$1,301	\$990	\$804
Personal Care	\$795	\$748	\$841	\$1,140	\$975
Independent Choices	\$425	\$429	\$588	\$436	\$536



ARKANSAS DEPARTMENT OF HUMAN SERVICES

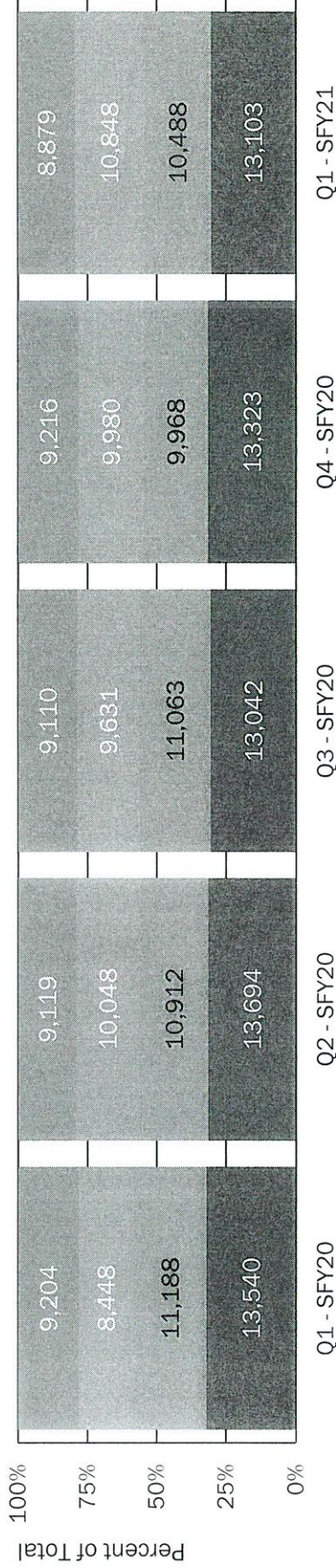
Source(s): COS Weekly SFY2020 - Week 13

Long Term Services and Supports (LTSS)

Program Overview

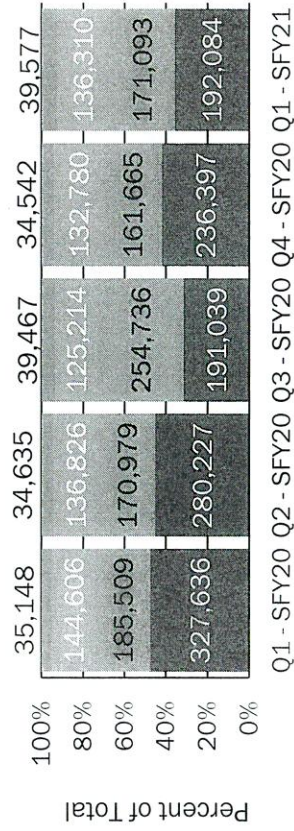
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Users by Program

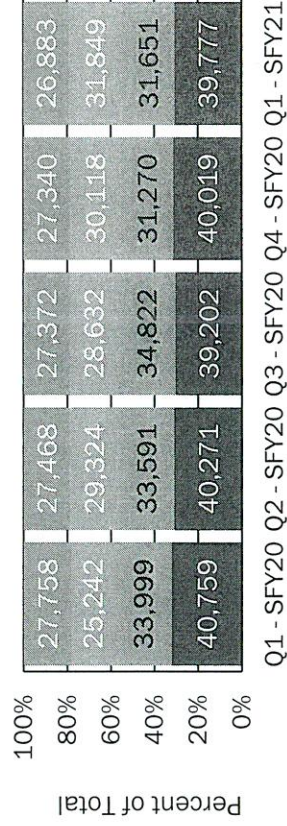


Note(s): Users are the number of people who receive services that were billed under various categories of service. Users DO NOT reflect the number of people who are enrolled in a waiver program.

Claims by Program



Users Months by Program



- Private Long Term Care/SNF
- ARChoices & Other Waivers
- Personal Care
- Independent Choices

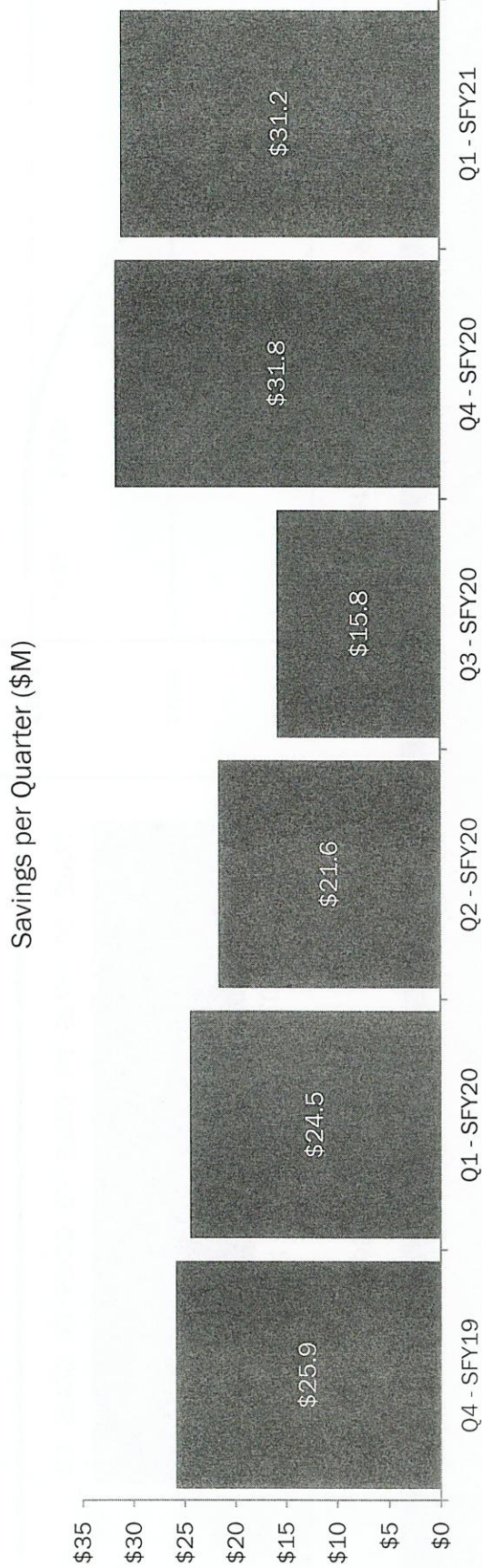
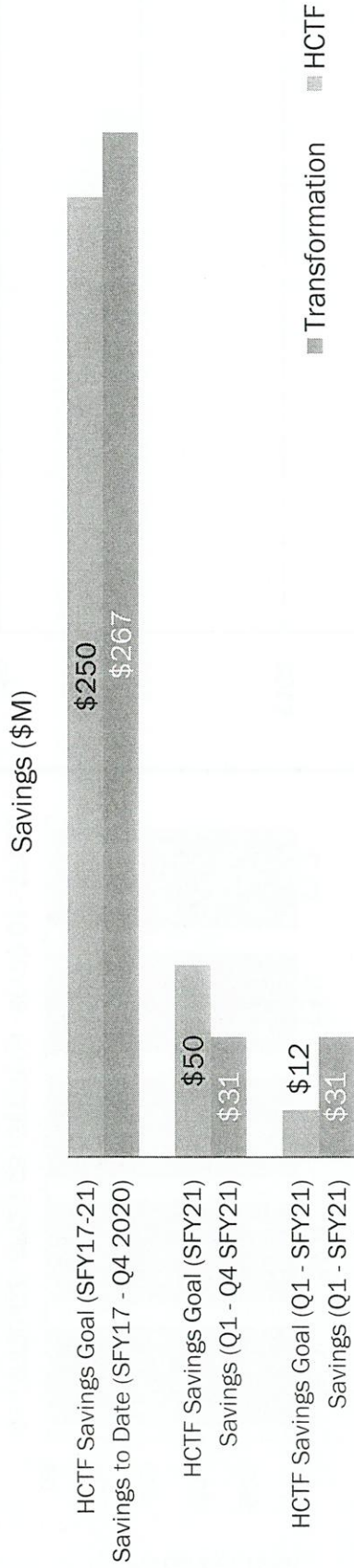


ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): 5118_LTSS Quarterly and Monthly Exps with Financial Capitation (10.28.20)

Pharmacy Savings Overview

Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency



Note(s): Pharmacy savings does not factor in drug rebates. It is calculated using gross pharmacy expenditures.

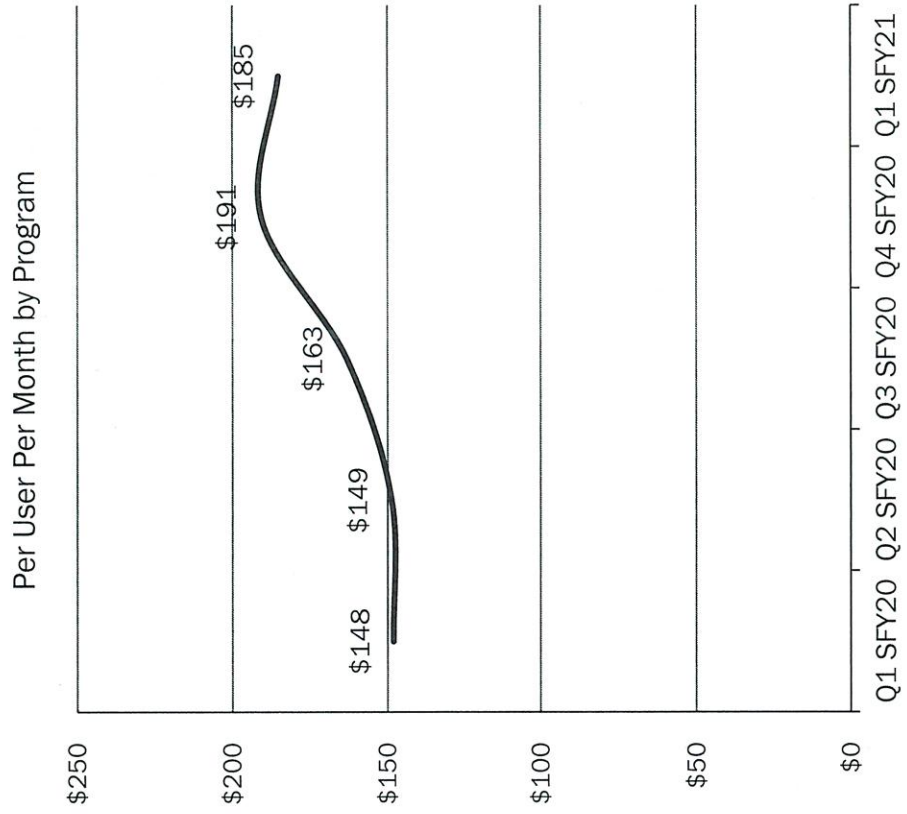
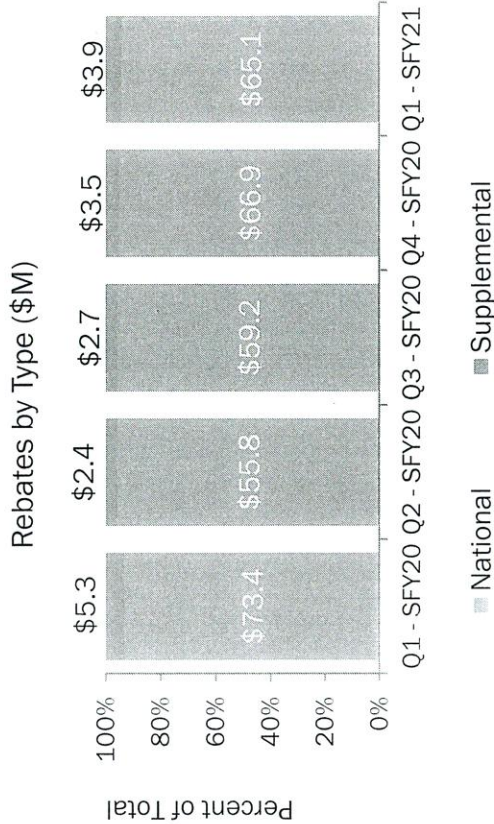
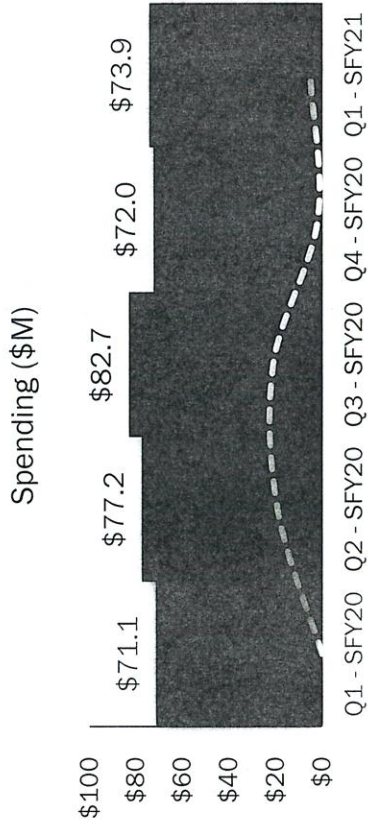


ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): Quarter 1 - SFY 2021 Scorecard Calculations

Pharmacy Spending Overview

Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency



Note(s): Rebates are collected from drug manufacturers. If the cost of prescription drugs were to appropriately account for rebate, it would reduce spending by more than 50-percent. The dotted line represents spending net of rebates. In Q1 - SFY 2020 there were more drug rebates (\$78M) than actual prescription drug spending (\$71M).



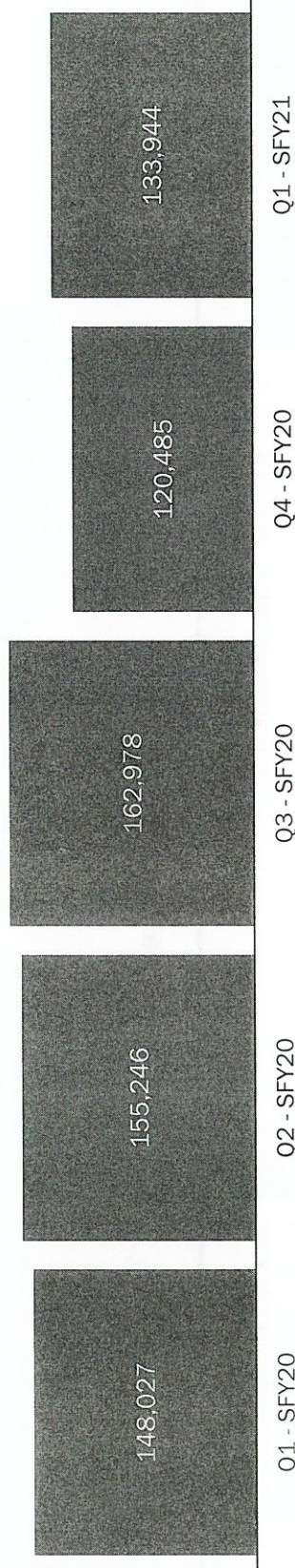
ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): (1) COS Weekly SFY2021 - Week 13
(2) Q1-SFY 2021 rebate (12.08.20)

Pharmacy Program Overview

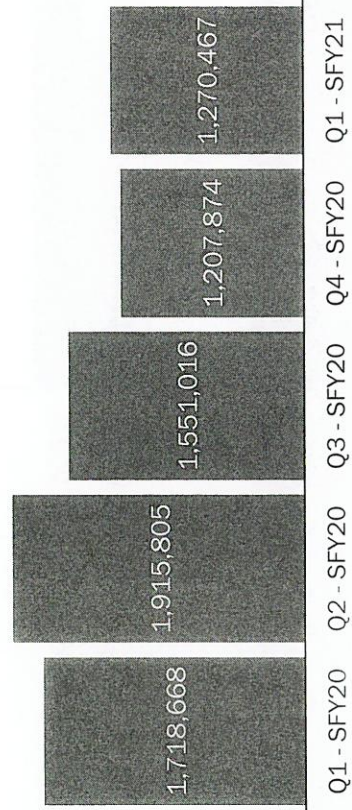
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Users by Program

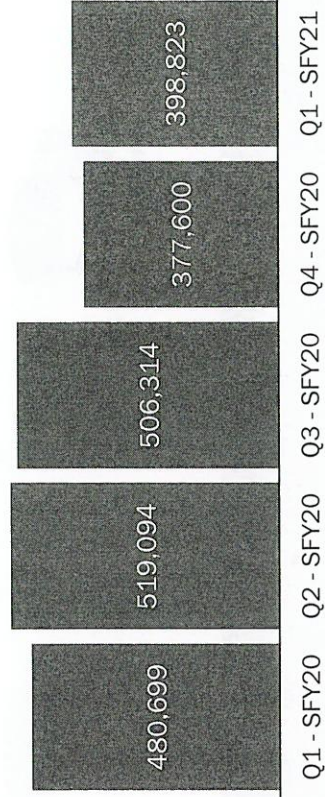


Note(s): Users are the number of people who receive services that were billed under various categories of service. Users DO NOT reflect the number of people who are enrolled in a waiver program.

Claims by Program

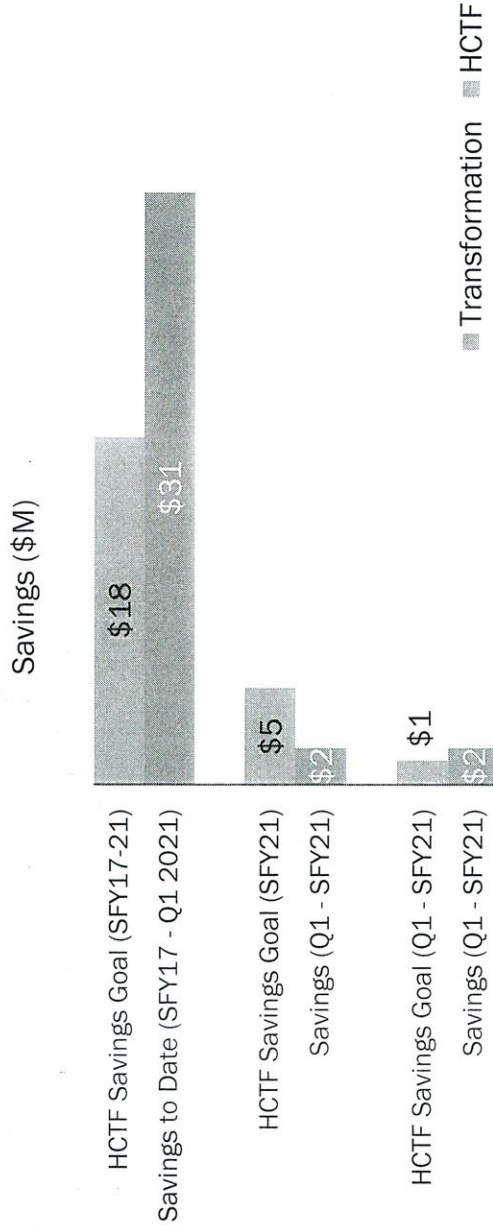


Users Months by Program



Dental Savings Overview

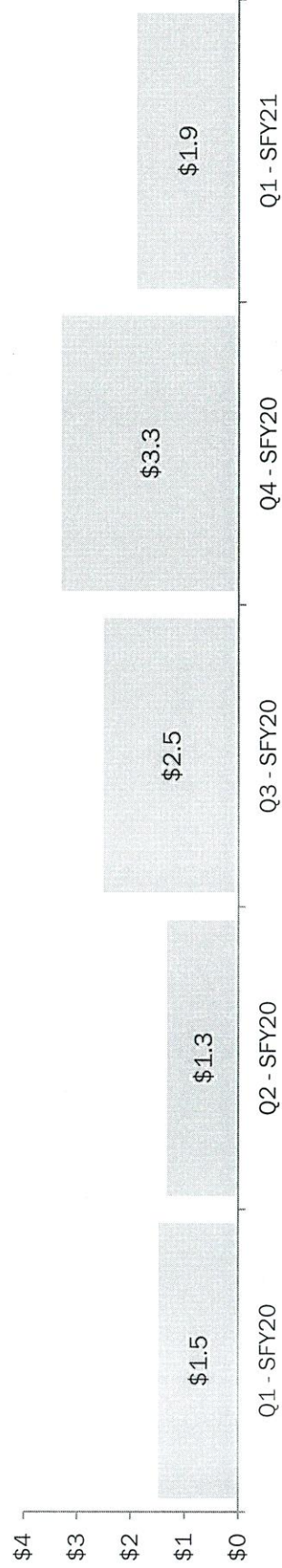
Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency



\$2.3M

Premium Taxes paid by Dental MCOs in Q1 - Q4 of SFY 2020

Savings per Quarter (\$M)



Note(s): The Arkansas Insurance Department (AID) collects premium taxes on Dental Managed Care and PASSE organizations 45 days following the end of the quarter. As a result, the scorecard can only report the previous quarter's premium tax payments.



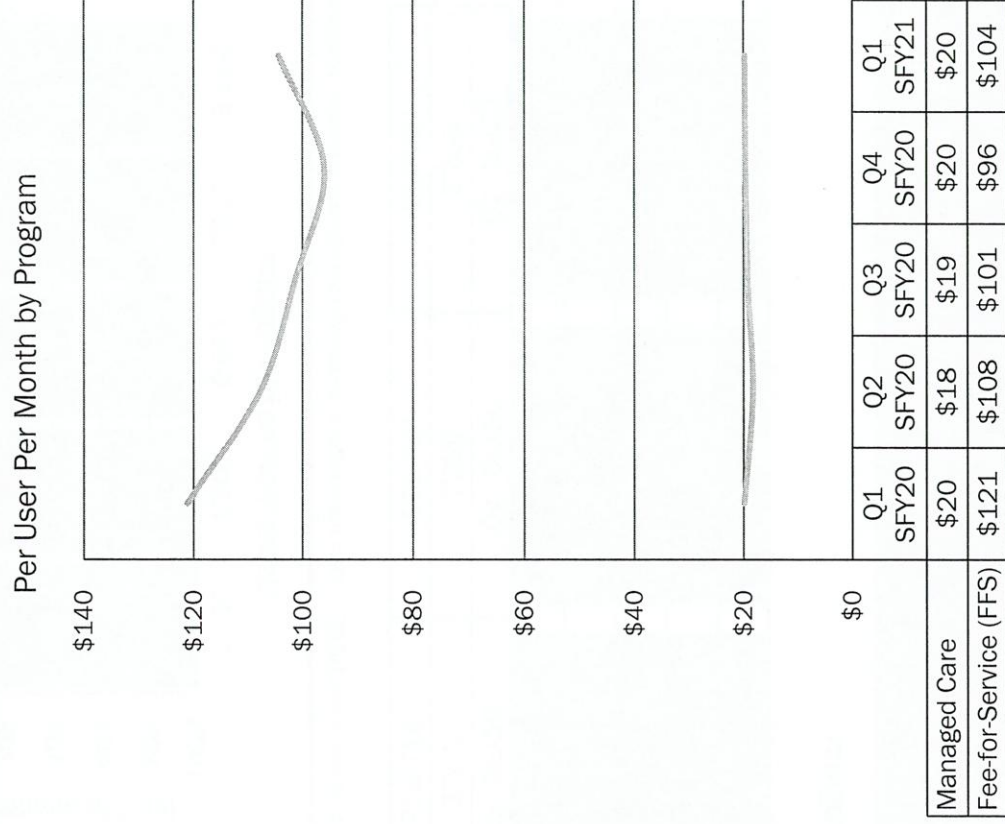
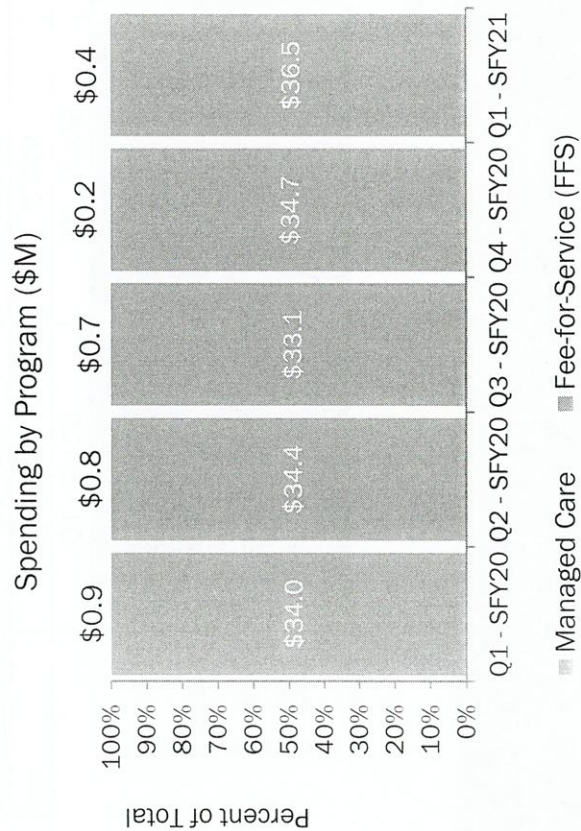
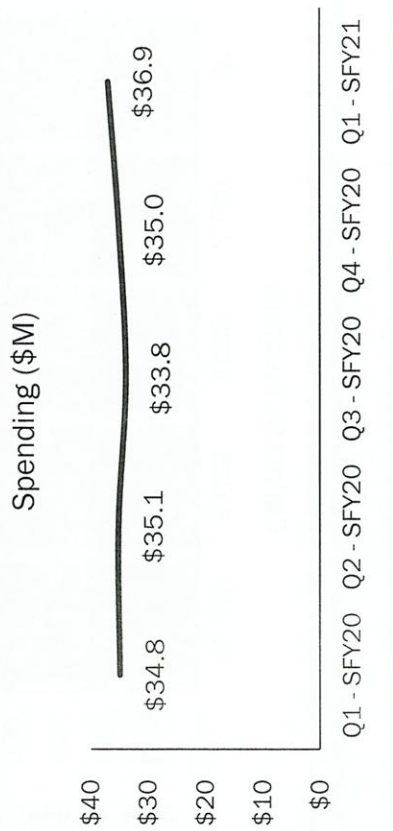
ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): (1) Quarter 1 - SFY 2021 Scorecard Calculations
(2) 2020 RBPO Premium Tax Collections-4thQ_annual update (12.8.20)

Dental

Spending Overview

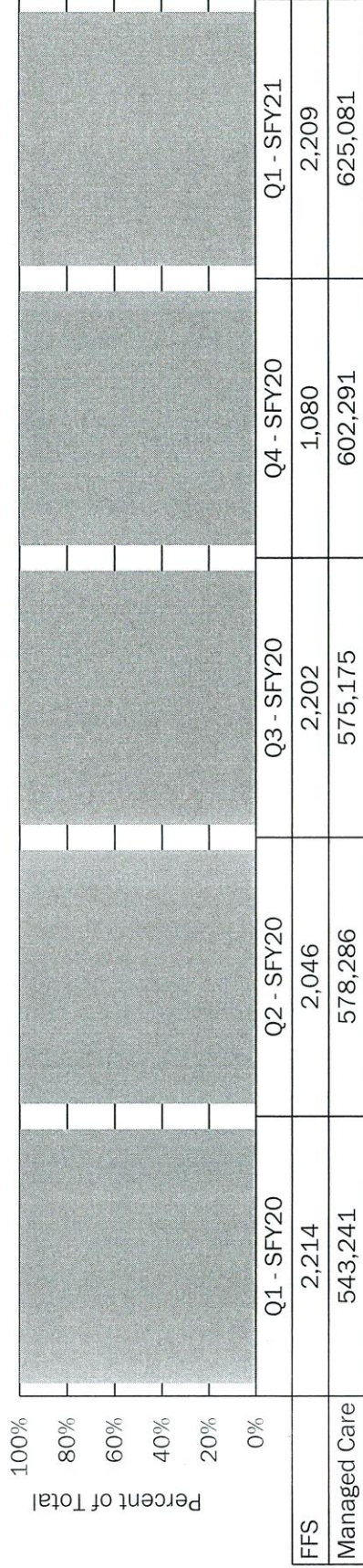
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Dental Program Overview

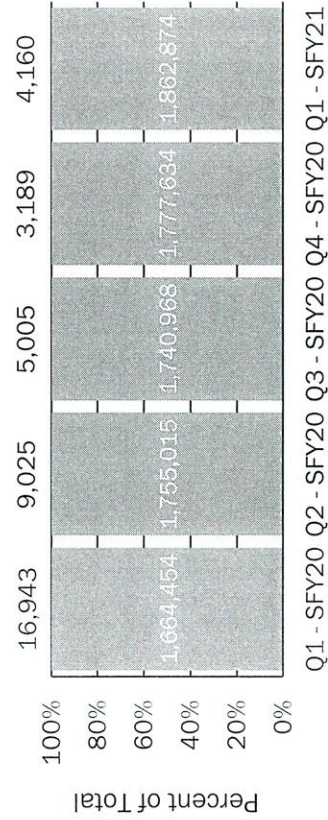
Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency

Users by Program

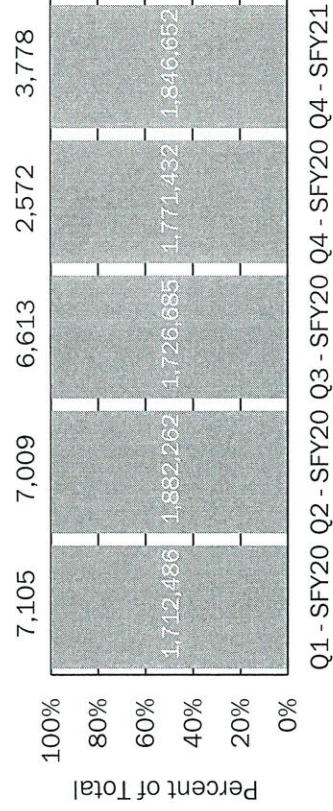


Note(s): Users are the number of people who receive services that were billed under various categories of service. Users DO NOT reflect the number of people who are enrolled in a waiver program.

Claims by Program



Users Months by Program



■ Managed Care ■ Fee-for-Service (FFS)



ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): (1) 6281 Dental Managed Care Assignments and Capitation Summary (10.28.20)
 (2) 6313 Dental Fee for Service for Scorecard (10.28.20)

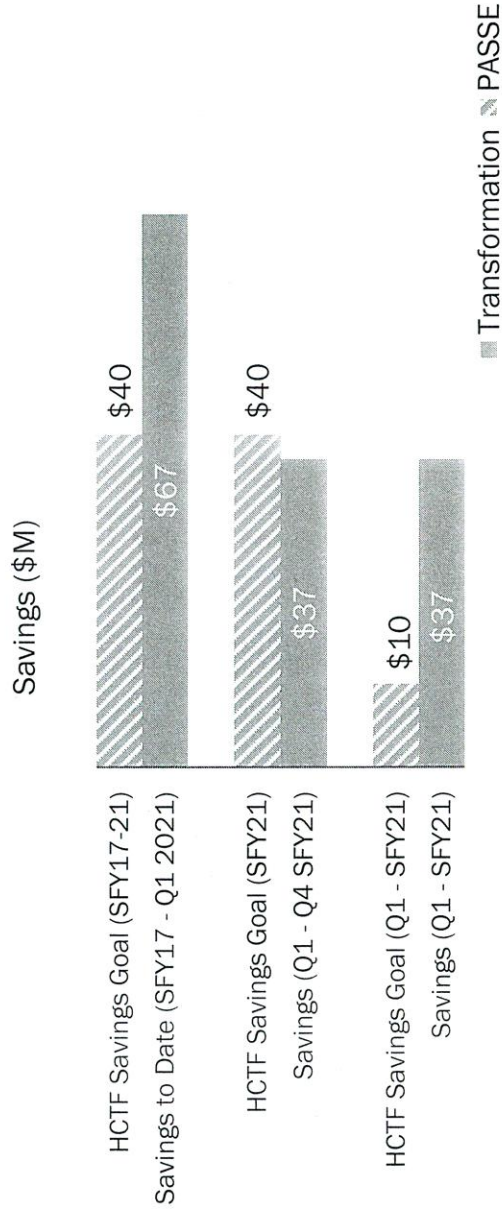
SECTION IV

Provider-led Arkansas Shared Savings Entity (PASSE)

Provider-Led (PASSE)

Savings Overview

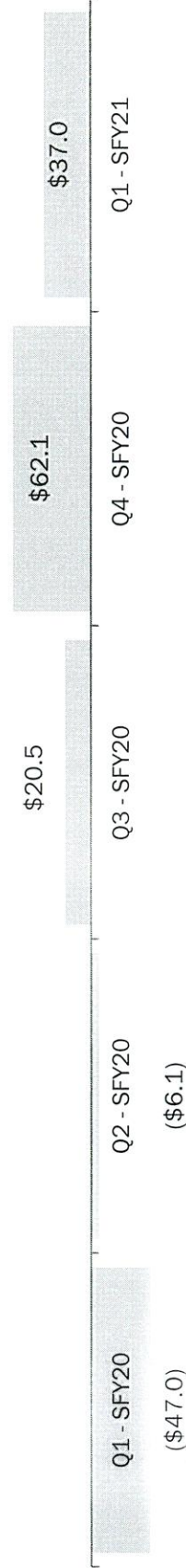
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



\$34.0M

Premium Taxes paid by the
PASSEs in Q1 - Q4 of SFY 2020

Savings per Quarter (\$M)



Note(s): (1) See page 13 for how PASSE savings is calculated.

(2) The Arkansas Insurance Department (AID) collects premium taxes on Dental Managed Care and PASSE organizations 45 days following the end of the quarter. As a result, the scorecard can only report the previous quarter's premium tax payments.



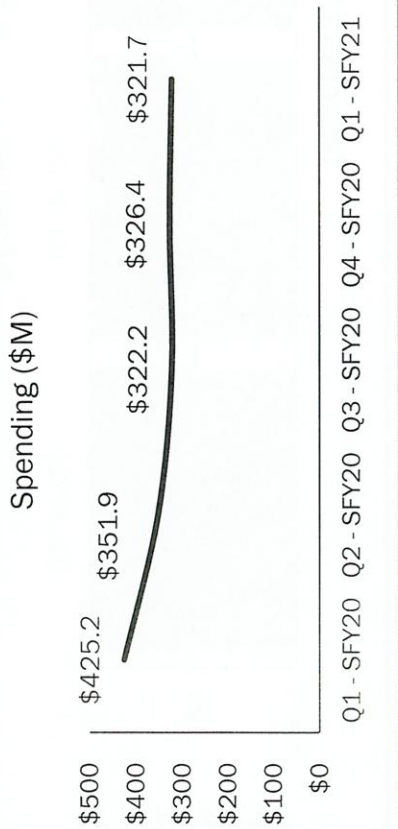
**ARKANSAS DEPARTMENT OF
HUMAN SERVICES**

Source(s): (1) Quarter 1 - SFY 2021 Scorecard Calculations
(2) 2020 RBPO Premium Tax Collections-4thQ_annual update (12.8.20)

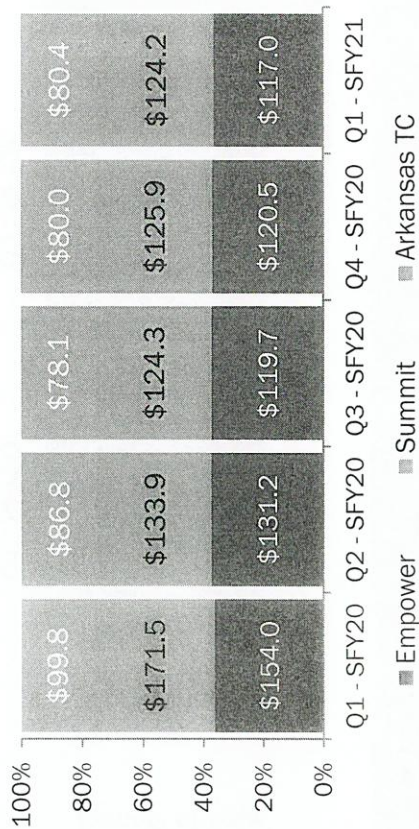
Provider-Led (PASSE)

Spending Overview

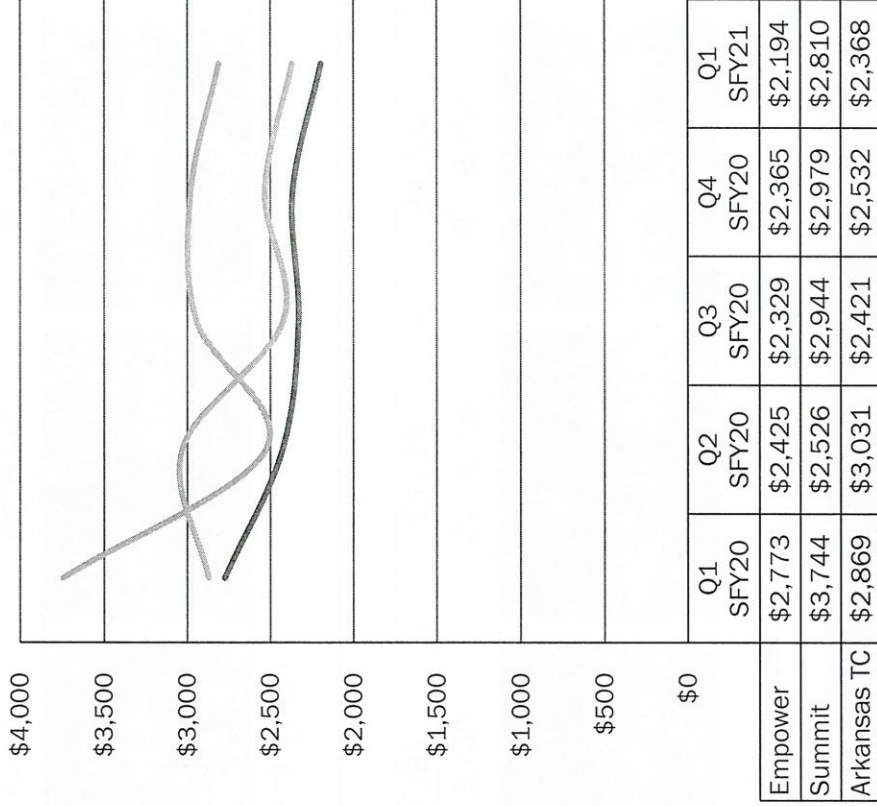
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Spending by Entity (\$M)



Per Member Per Month by Program



Note(s): (1) PASSEs assumed full-risk (Phase II) on March 1, 2019.



ARKANSAS DEPARTMENT OF HUMAN SERVICES

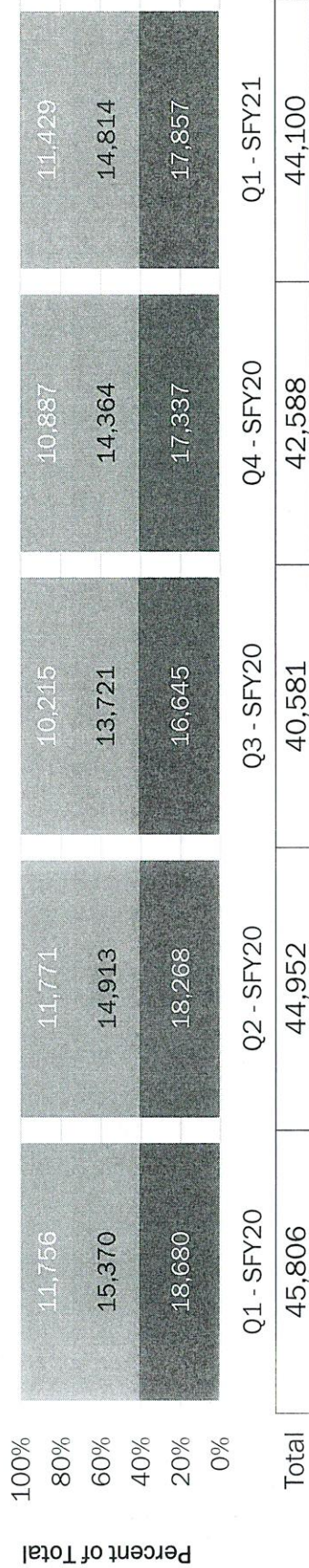
Source(s): 8665 Scorecard - PASSE Enrollment Statistics (10.28.20)

Provider-Led (PASSE)

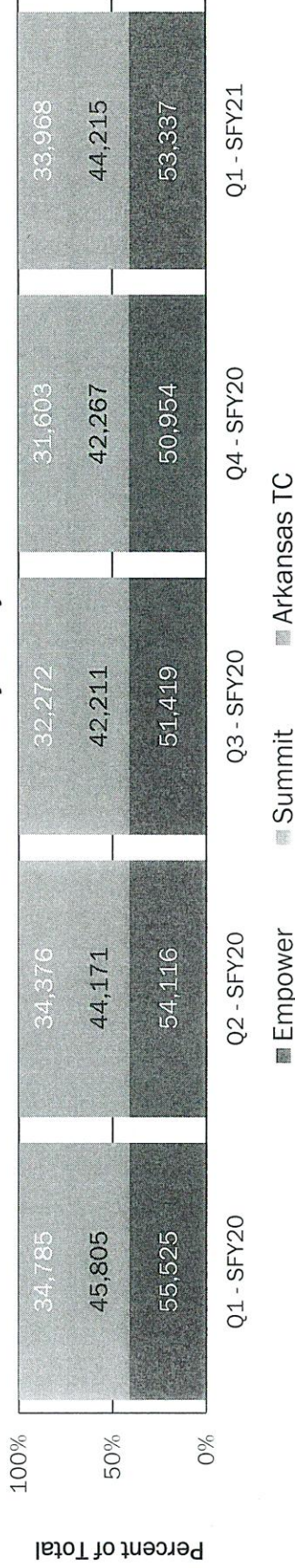
Program Overview

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

PASSE Enrollment by Quarter



Member Months by Entity



Note(s): (1) This point-in-time report was run on Jul. 10, 2019. Enrollment for each quarter is counted on the last day of each month and DOES NOT include retro-active eligibility for each month and as a result do not change Scorecard to Scorecard.
(2) PASSEs assumed full-risk (Phase II) on March 1, 2019.



**ARKANSAS DEPARTMENT OF
HUMAN SERVICES**

Source(s): 8665 Scorecard - PASSE Enrollment Statistics (10.28.20)

APPENDIX

Detailed Spending by State Fiscal Quarter

Developmentally Disabled (DD)

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Spending & Savings by Year & Program Dollars in Millions (\$M)	Q1 - SFY20 Actual	Q2 - SFY20 Actual	Q3 - SFY20 Actual	Q4 - SFY20 Actual	Q1 - SFY21 HCTF Topline (5% Annual Increase)	Q1 - SFY21 Actual	Q1 - SFY21 Savings / (Cost)
Therapy Caps	\$38.6	\$47.8	\$44.8	\$27.5	\$49.5	\$33.7	\$15.8
Day Treatment (EIDT/ADDT)	\$44.4	\$46.5	\$49.8	\$39.8	\$54.8	\$38.3	\$16.5
Total DD	\$83.0	\$94.3	\$94.6	\$67.3	\$104.3	\$72.0	\$32.3

Note(s): The vast majority of ICF and DD Waiver (Autism and CES) users have transitioned over to the PASSES. As a result, the Scorecard will only measure savings on Therapy Caps and EIDT/ADDT going forward.



**ARKANSAS DEPARTMENT OF
HUMAN SERVICES**

Source(s): (1) Quarter 1 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 13

Behavioral Health (BH)

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Spending & Savings by Year & Program Dollars in Millions (\$M)	Q1 - SFY20 Actual	Q2 - SFY20 Actual	Q3 - SFY20 Actual	Q4 - SFY20 Actual	Q1 - SFY21 HCTF Topline (5% Annual Increase)	Q1 - SFY21 Actual	Q1 - SFY21 Savings / (Cost)
Inpatient	\$5.2	\$6.4	\$5.2	\$6.3	\$10.4	\$4.9	\$5.5
Outpatient	\$10.1	\$10.5	\$9.9	\$10.0	\$17.0	\$8.0	\$9.0
Total BH	\$15.3	\$17.0	\$15.1	\$16.3	\$27.4	\$12.9	\$14.5

Note(s): Due to the vast majority of Inpatient and Outpatient BH users transitioning over to the PASSE, the Scorecard will only measure savings on Non-PASSE users of Inpatient and Outpatient BH services. As a result, the totals shown above reflect those of Non-PASSE users.



**ARKANSAS DEPARTMENT OF
HUMAN SERVICES**

Source(s): (1) Quarter 1 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 13

Long Term Services and Supports (LTSS)

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Spending & Savings by Year & Program Dollars in Millions (\$M)	Q1 - SFY20 Actual	Q2 - SFY20 Actual	Q3 - SFY20 Actual	Q4 - SFY20 Actual	Q1 - SFY21 HCTF Topline (5% Annual Increase)	Q1 - SFY21 Actual	Q1 - SFY21 Savings / (Cost)
Independent Choices	\$11.8	\$11.8	\$11.7	\$11.9	\$12.9	\$14.4	(\$1.5)
Personal Care	\$20.1	\$21.9	\$25.7	\$34.3	\$27.4	\$31.1	(\$3.7)
ARChoices & Other Waivers	\$33.2	\$30.6	\$27.6	\$31.0	\$44.0	\$25.5	\$18.5
Private Long Term Care / SNF	\$175.7	\$166.7	\$170.6	\$201.3	\$193.9	\$173.6	\$20.3
Total LTSS	\$240.8	\$231.1	\$235.6	\$278.5	\$278.2	\$244.6	\$33.6



Pharmacy and Dental

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Spending & Savings by Year & Program Dollars in Millions (\$M)	Q1 - SFY20 Actual	Q2 - SFY20 Actual	Q3 - SFY20 Actual	Q4 - SFY20 Actual	Q1 - SFY21 HCTF Topline (5% Annual Increase)	Q1 - SFY21 Actual	Q1 - SFY21 Savings / (Cost)
Total Pharmacy	\$71.1	\$77.2	\$82.7	\$72.0	\$105.1	\$73.9	\$31.2
Managed Care	\$34.0	\$34.4	\$33.1	\$34.7	\$37.7	\$36.5	\$1.3
Fee for Service	\$0.9	\$0.8	\$0.7	\$0.2	\$1.0	\$0.4	\$0.6
Total Dental	\$34.8	\$35.1	\$33.8	\$35.0	\$38.3	\$35.0	\$1.9



**ARKANSAS DEPARTMENT OF
HUMAN SERVICES**

Source(s): (1) Quarter 1 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 13

Medicaid Transformation Savings Scorecard and Quarterly Report

Q2 - SFY 2021



**ARKANSAS DEPARTMENT OF
HUMAN SERVICES**

July 6, 2021

A Four Section Report to Track Medicaid and Savings

- DHS is obligated to provide a quarterly report beginning with the first quarter of SFY18 that:
 - Includes a dashboard or scorecard to track savings from reforms approved by the Health Care Task Force (HCTF). The reforms target “at least \$835 million” in savings from traditional Medicaid.
 - Reports on all Medicaid programs to monitor spending and savings across the programs.
 - Measures the impact on Medicaid spending and other quality/performance indicators from implementation of provider-led organized care in Arkansas.
- Act 802 requires DHS to submit to the Bureau of Legislative Research an initial report on September 1, 2017, to establish the baseline for the quarterly reports.
- Act 802 further provides:
 - If project (sic) savings in an amount less than five percent (5%) of the goal are not achieved during any two (2) consecutive quarters unrelated to non-claims based performance, the department shall develop additional reforms to achieve the savings goals (emphasis added.)”
 - “If legislative action is required to implement the additional reforms ..., the Department may take the action to the Legislative Council or the Executive Subcommittee of the Legislative Council for immediate action.”



PASSE – Full Risk Provider-led Organizations

1. In addition to the \$835 million savings target, the final report to the HCTF projected that a provider-led risk-based care model for the BH and DD populations could be implemented by DHS in SFY 2021. The report estimated the risk-based model would produce \$40 million in savings in SFY 2021 when it would go “full risk.” These projected savings have therefore been added onto the \$835 million target for the SFY 2017-2021 period. PASSE went “full-risk in March 2019 (16 months ahead of schedule). The HCTF also projected “full risk” would generate \$56 million in premium tax in SFY 2021 and \$58 million in SFY 2022. DHS has adopted the SFY 2022 targets as the measures for SFY 2021.
2. Act 775 created the risk-based provider organizations (PASSEs) and reserved at least 50% of premium taxes to be used to reduce the DD waitlist.
3. Act 802 also directs DHS to measure (1) increase care management and care coordination; (2) value-based purchasing strategies; (3) reduction in duplication of healthcare services; (4) reduction in unnecessary healthcare services; and (5) the degree of risk assumed by risk-based provider organizations
4. Three provider-led organizations, Arkansas Total Care, Empower, and Summit Community Care, assumed full-risk for approximately 42,000 Medicaid recipients with high levels of need for BH and/or DD specialty services on March 1, 2019. The PASSEs receive a monthly capitated payment from DHS for each member to cover all specialty services and halo costs.
5. As services are covered by a PASSE, there are reductions in direct payments to providers in fee-for-service (FFS) Medicaid for the individuals enrolled in a PASSE. DHS has applied a “risk corridor” that allows DHS and the PASSEs to share savings and protect PASSEs against unexpected high costs.
6. Each PASSE is required to provide care coordination. DHS can sanction a PASSE for failure to meet care coordination performance measures.
7. PASSEs are allowed and encouraged to use value-based purchasing strategies with their network providers, but not required to do so.
8. DHS will use encounter claims data analyses to determine reductions in duplication of health care services. Because of the lag time in obtaining clean encounters and the need for sufficient time for the PASSEs to gain experience, such analyses will occur in calendar year 2020 and thereafter.
9. PASSEs have authority to ensure that healthcare is medically necessary for an individual. Encounter claims will be analyzed for this purpose as well.
10. The PASSE program is regulated under federal Medicaid managed care rules and state health insurance rules.



HCTF Baseline Projected Spending With Traditional Medicaid Transformation Initiatives and DD and BH Provider-Led Model (PASSE)

Spending and Savings by Year & Program Dollars in Millions (\$M)	SFY 2017	SFY 2018	SFY 2019	SFY 2020	SFY 2021	SFY 2017-21
*HCTF Baseline, Traditional Medicaid	\$5,379	\$5,648	\$5,930	\$6,227	\$6,538	\$29,722
‡HCTF Projected Traditional Spending with Transformation Initiatives	\$5,302	\$5,495	\$5,757	\$6,026	\$6,322	\$28,902
HCTF Projected Traditional Spending with Transformation Initiatives and Full-risk Provider-led Model	\$5,302	\$5,495	\$5,757	\$6,026	\$6,227	\$28,806
HCTF Projected Savings with Traditional and Full-risk Provider-led Model for BH and DD	\$77	\$153	\$173	\$201	\$311	\$915
HCTF Full-risk Provider-Led Model for BH and DD "PASSE" Projected Savings	\$0	\$0	\$0	\$0	\$40	\$40
HCTF Full-risk Provider-Led Model for BH and DD "PASSE" Projected Premium Tax Revenue	\$0	\$0	\$0	\$0	\$56	\$56



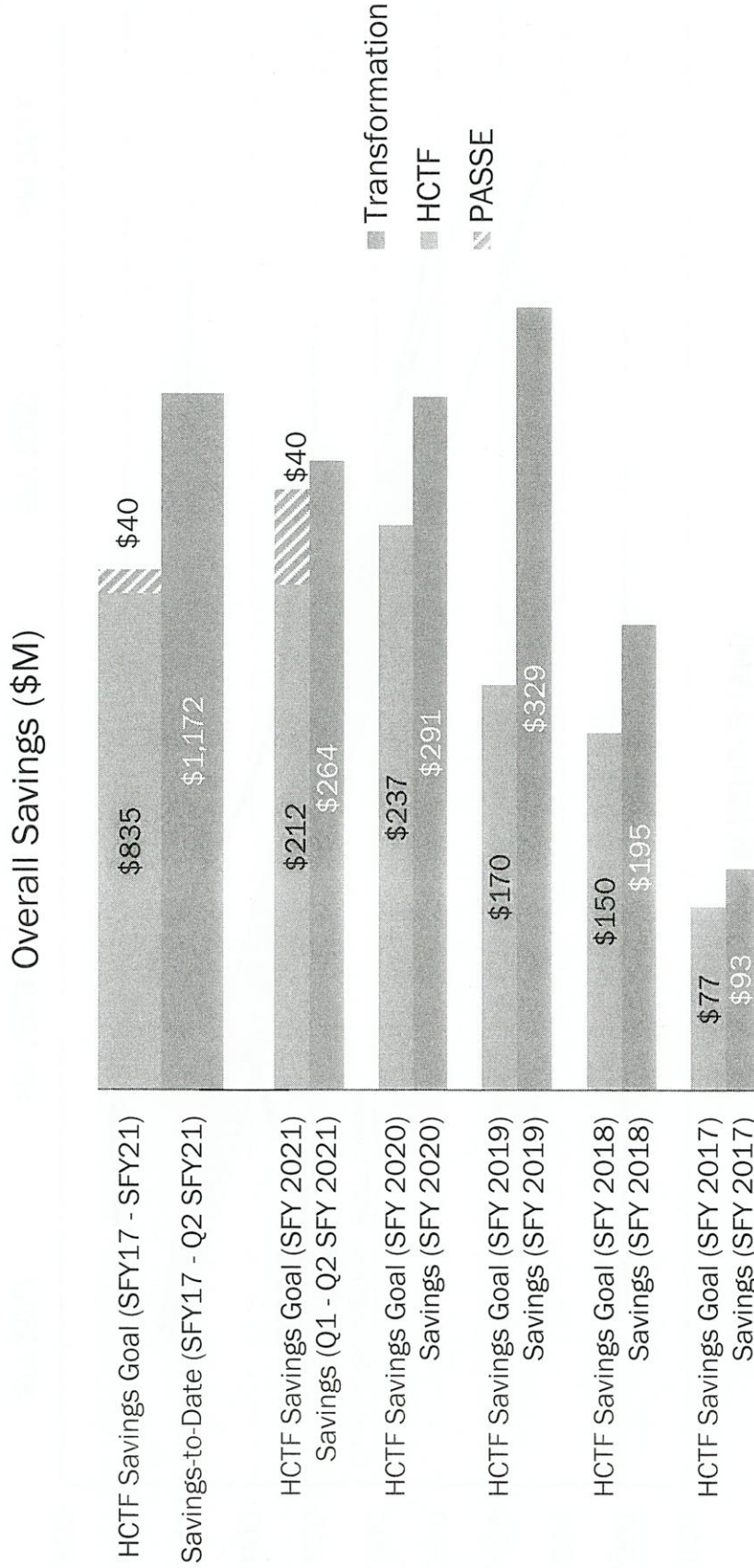
SECTION I

Medicaid Transformation Savings Scorecard

Traditional Medicaid Scorecard

Savings Overview

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Note(s): (1) SFY 2019 savings were adjusted due to the PASSEs becoming full risk in March 2019. This resulted in a \$73M reduction in Overall SFY 2019 savings from \$402M to \$329M

(2) In prior scorecards the Dental premium tax was counted towards savings. Starting in SFY 2020, all premium taxes (Dental and PASSE) will be counted as a fiscal impact. Therefore HCTF savings goals for SFY 2018 and SFY 2019 were reduced by \$3M each year (the amount of Dental premium tax).



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Source(s): (1) Quarter 2 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 27

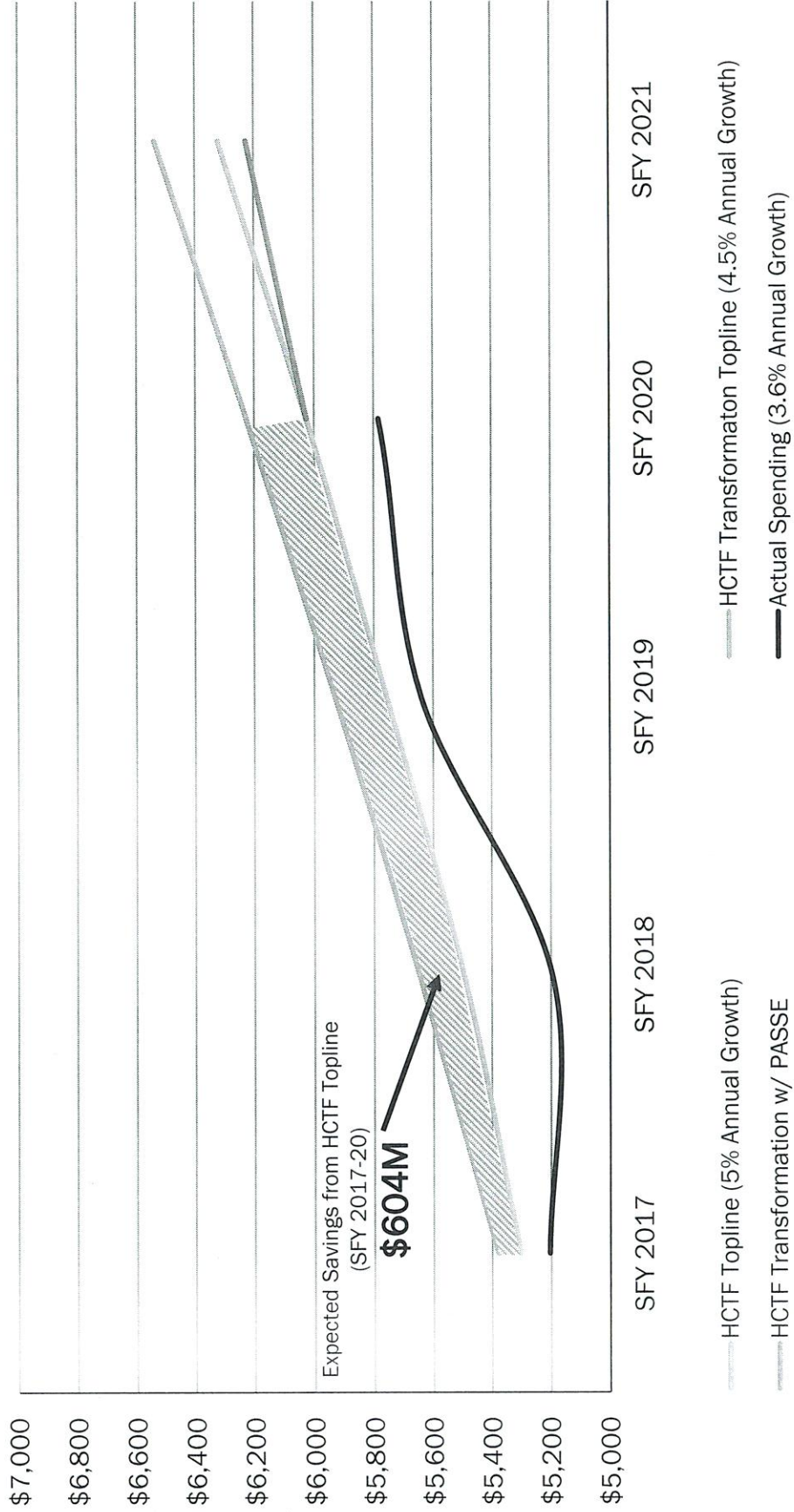
- Bar Charts Not To Scale -

Traditional Medicaid Spending vs HCTF Toplines

SFY 2017-2021

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Dollars in Millions (\$M)



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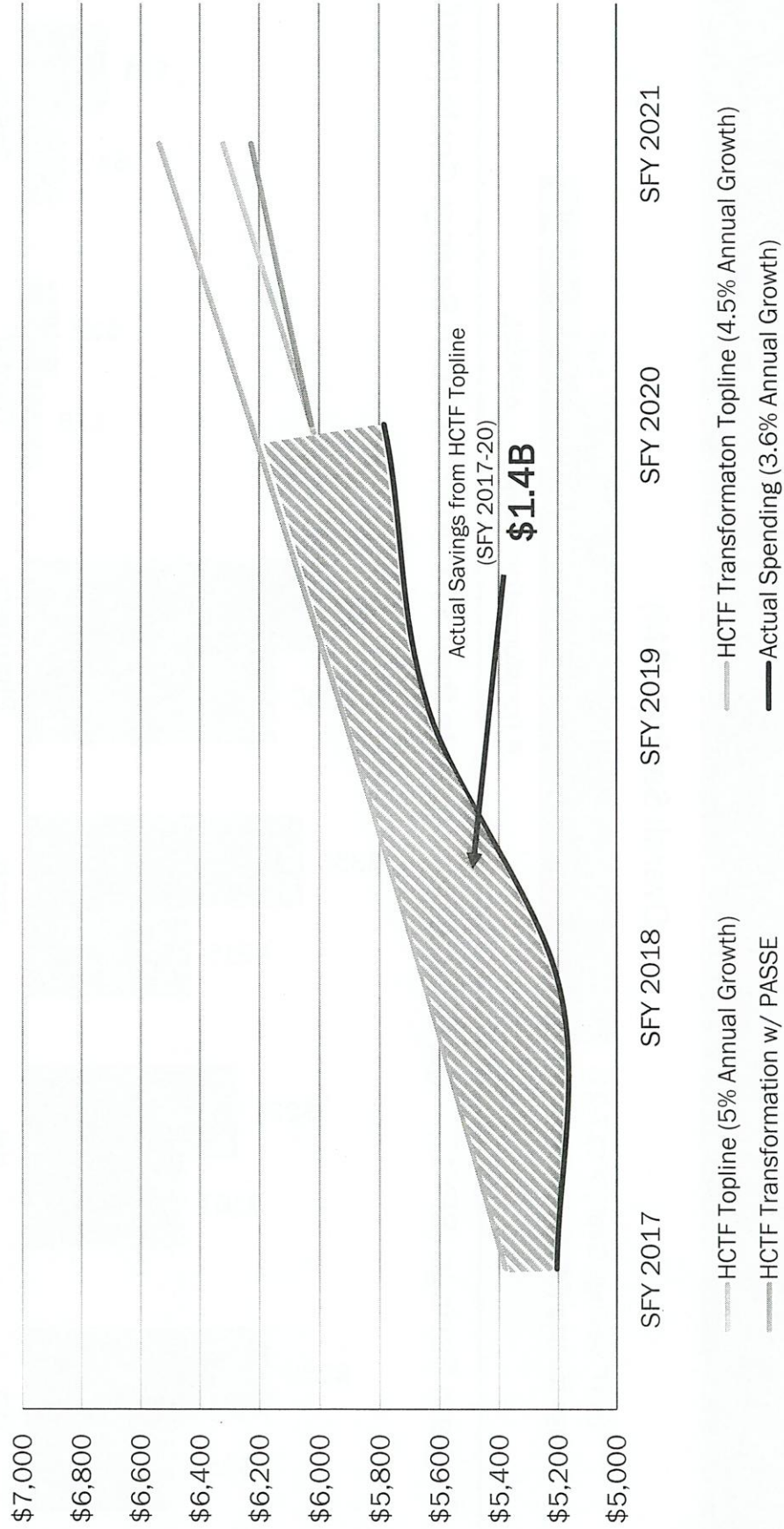
Source(s): (1) Arkansas Health Care Reform Task Force – Final Report, The Stephens Group (12/15/2016)
(2) COS Weekly SFY2017-19 – Week 52

Traditional Medicaid Spending vs HCTF Toplines

SFY 2017-2021

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Dollars in Millions (\$M)



ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): (1) Arkansas Health Care Reform Task Force - Final Report, The Stephens Group (12/15/2016)
(2) COS Weekly SFY2017-19 - Week 52

Traditional Medicaid Scorecard

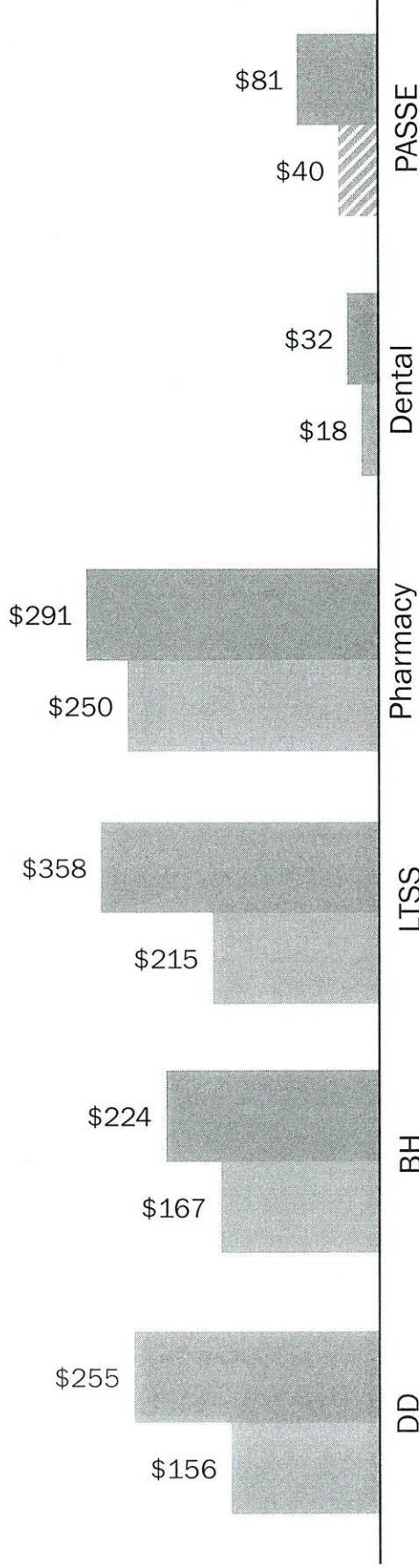
Savings Overview by Program

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Overall Savings (\$M)



Program Savings (SFY17 - Q2 SFY21) compared to their SFY 2017-21 HCTF Savings Goals (\$M)



Note(s): (1) Pharmacy savings does not factor in drug rebates. It is calculated using gross pharmacy expenditures.
(2) SFY 2019 savings were adjusted due to the PASSEs becoming full risk in March 2019. This resulted in a \$73M reduction in Overall SFY 2019 savings from \$402M to \$329M



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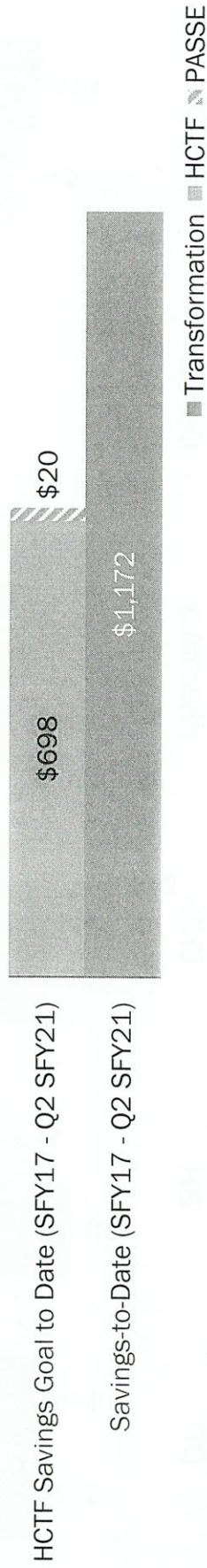
Source(s): (1) Quarter 2 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 27

Traditional Medicaid Scorecard

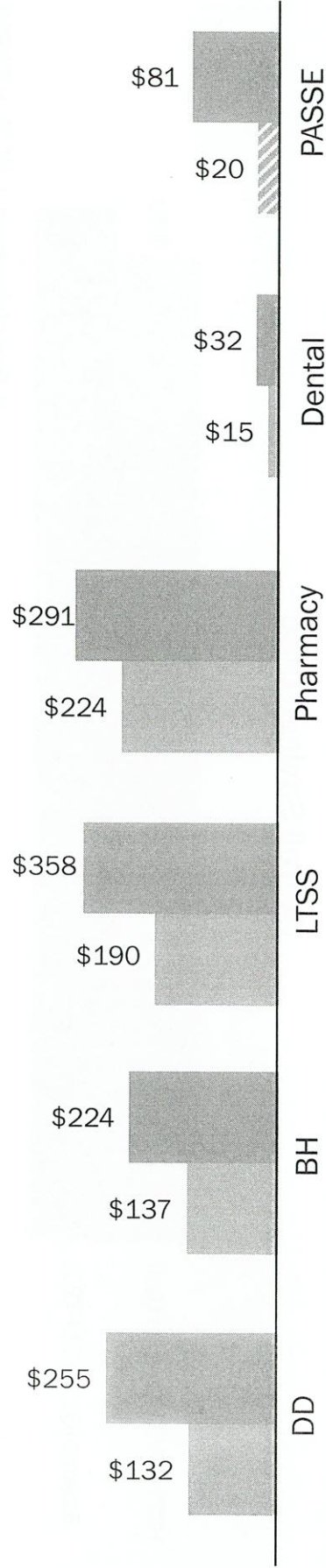
Savings-to-Date (SFY 2017- Q1 SFY 2021)

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Overall Savings-to-Date (\$M) (SFY 2017 - Q2 SFY 2021)



Program Savings-to-Date compared to their Savings Goals-to-Date (\$M) (SFY 2017 - Q2 SFY 2021)



Note(s): (1) Pharmacy savings does not factor in drug rebates. It is calculated using gross pharmacy expenditures.
 (2) SFY 2019 savings were adjusted due to the PASSEs becoming full risk in March 2019. This resulted in a \$73M reduction in Overall SFY 2019 savings from \$402M to \$329M



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Source(s): (1) Quarter 2 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 27

Traditional Medicaid Scorecard

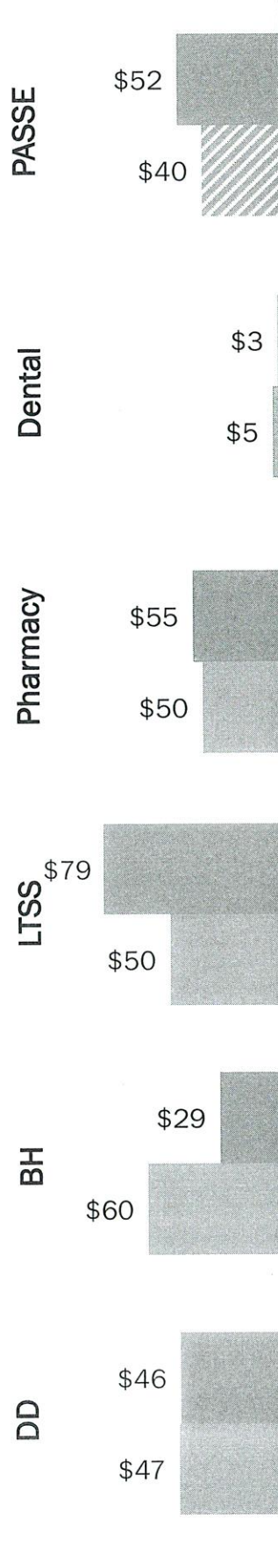
SFY 2021

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Overall Savings (\$M)



SFY 2021 Savings by Program (\$M)



Note(s): Pharmacy savings does not factor in drug rebates. It is calculated using gross pharmacy expenditures.



ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): (1) Quarter 2 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 27

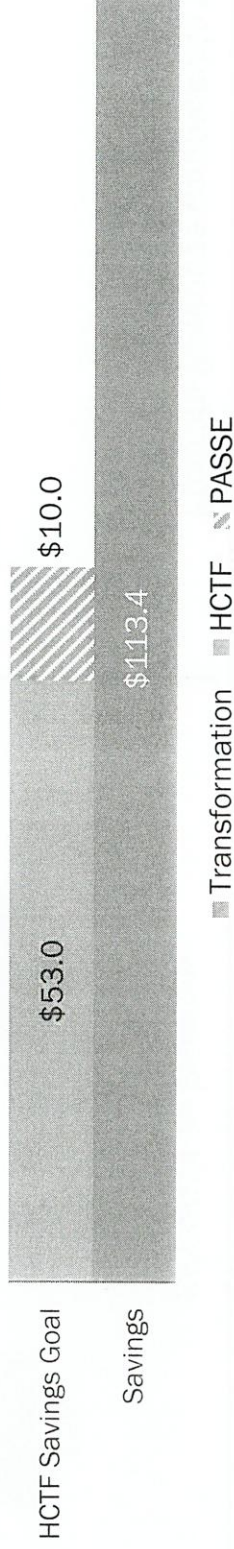
- Bar Charts Not To Scale -

Traditional Medicaid Scorecard

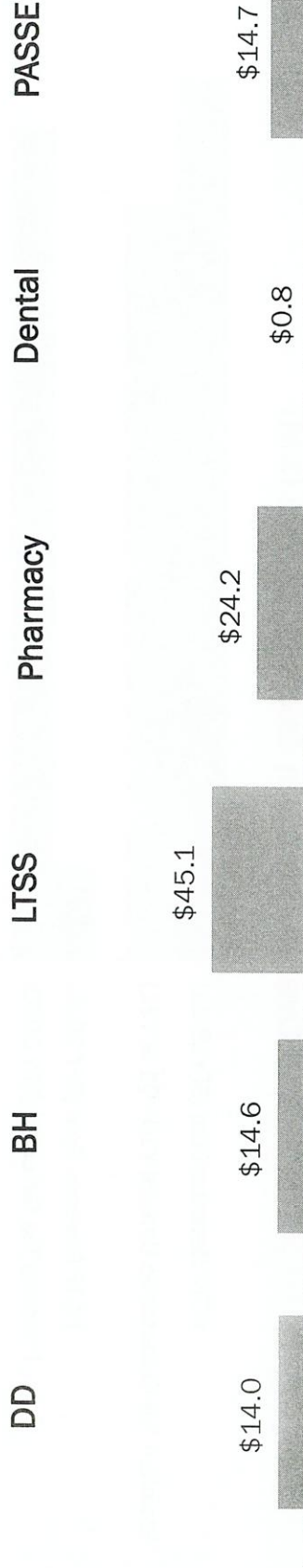
Q2 – SFY 2021

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Q2 – SFY 2021 Overall Savings (\$M)



Q2 – SFY 2021 Savings by Program (\$M)



Note(s): Pharmacy savings does not factor in drug rebates. It is calculated using gross pharmacy expenditures.



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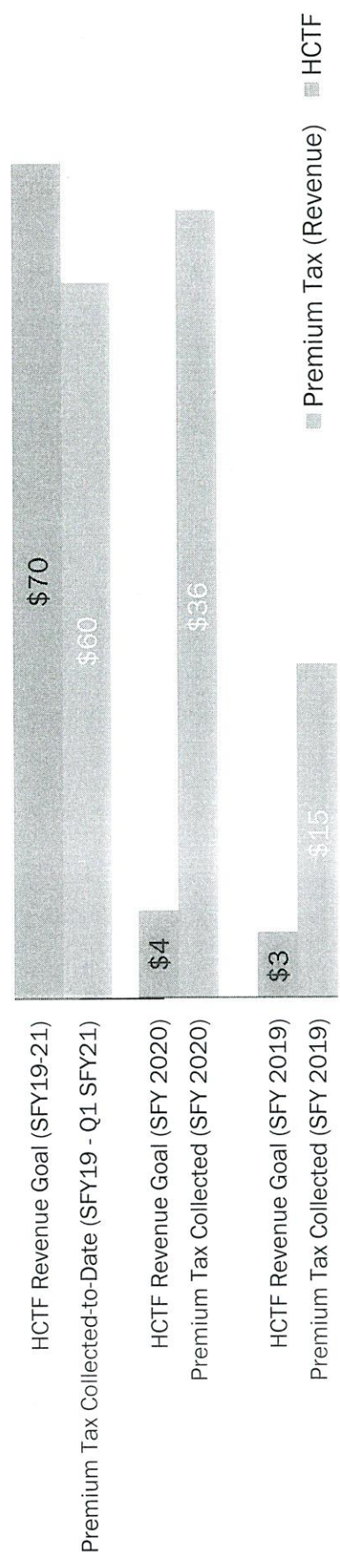
Source(s): (1) Quarter 2 – SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 – Week 27

Traditional Medicaid Scorecard

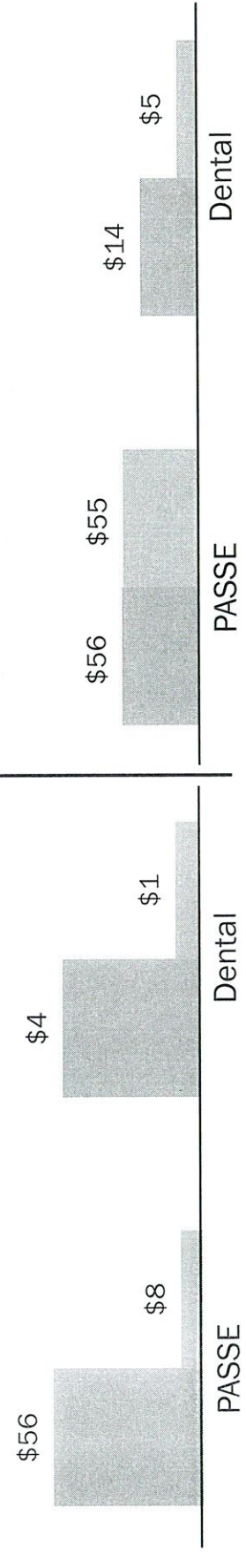
HCTF Premium Tax Overview

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Overall Premium Taxes Collected (\$M)



Program Revenues compared to their SFY 2017-21 HCTF Revenue Goals (\$M)



Note(s): The Arkansas Insurance Department (AID) collects premium taxes on Dental Managed Care and PASSE organizations 45 days following the end of the quarter. As a result, the scorecard can only report the previous quarter's premium tax payments. HCTF Revenue Goal for PASSE begins in SFY2021.

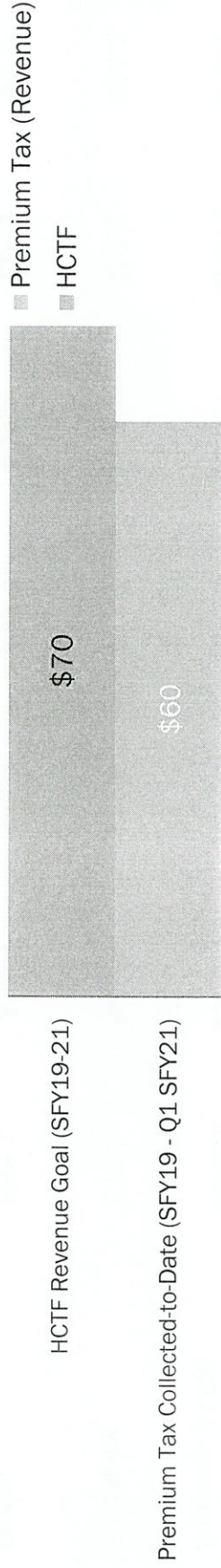
- Bar Charts Not To Scale -

Traditional Medicaid Scorecard

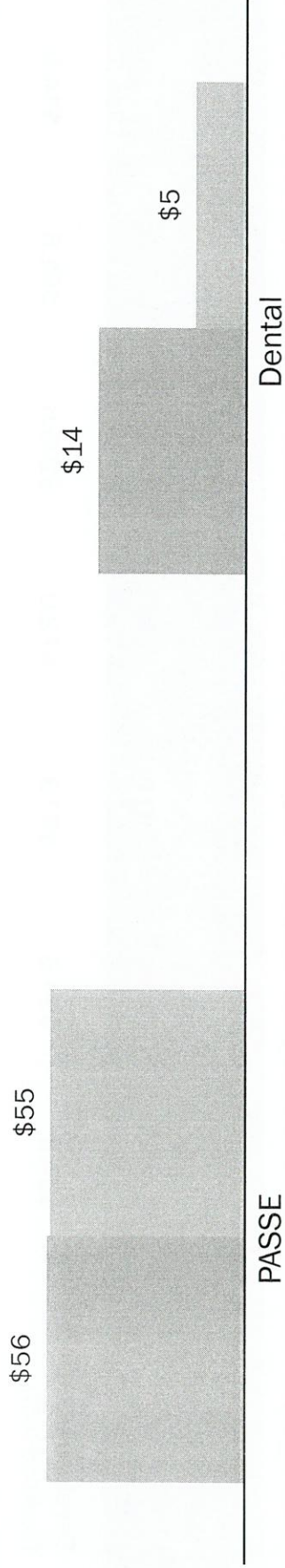
HCTF Premium Tax Collections-to-Date (SFY 2017-21)

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Premium Tax Collections-to-Date (\$M) (SFY 2019 – Q1 SFY 2021)



Premium Tax Collections-to-Date compared to their Revenue Goals-to-Date (\$M) (SFY 2019 – Q1 SFY 2021)



Note(s): The Arkansas Insurance Department (AID) collects premium taxes on Dental Managed Care and PASSE organizations 45 days following the end of the quarter. As a result, the scorecard can only report the previous quarter's premium tax payments. HCTF Revenue Goal for PASSE begins in SFY 2021.

- Bar Charts Not To Scale -



ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): (1) Quarter 2 - SFY 2021 Scorecard Calculations
(2) 2020 RBPO Premium Tax Collections-4thQ_annual update (12.8.20)

Medicaid Transformation Spend by Quarter

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Spending & Savings by Year & Program Dollars in Millions (\$M)	Q2 - SFY20 Actual	Q3 - SFY20 Actual	Q4 - SFY20 Actual	Q1 - SFY21 Actual	Q2 - SFY21 HCTF Topline (5% Annual Increase)	Q2 - SFY21 Actual	Q2 - SFY21 Savings / (Cost)
Developmentally Disabled (DD)	\$94.3	\$94.6	\$67.3	\$72.0	\$105.6	\$91.6	\$14.0
Behavioral Health (BH)	\$17.0	\$15.1	\$16.3	\$12.9	\$27.8	\$13.2	\$14.6
Long Term Services & Supports (LTSS)	\$231.1	\$235.6	\$278.5	\$244.6	\$281.7	\$236.6	\$45.1
Pharmacy	\$77.2	\$82.7	\$72.0	\$73.9	\$106.4	\$82.2	\$24.2
Dental	\$35.1	\$33.8	\$35.0	\$36.9	\$39.3	\$38.5	\$0.8
Grand Total	\$454.6	\$461.8	\$469.1	\$440.3	\$560.8	\$462.1	\$98.7

Note(s): (1) Further details of each section can be found in Section III and the Appendix
 (2) The reductions in DD and BH spending from previous scorecards is the result of removing PASSE participants and/or programs affected by the PASSE
 (3) Pharmacy savings are based on gross pharmacy expenditures. It does not factor in drug rebates.



**ARKANSAS DEPARTMENT OF
HUMAN SERVICES**
 Source(s): (1) Quarter 2 - SFY 2021 Scorecard Calculations
 (2) COS Weekly SFY2021 - Week 27

Savings Attributed to Provider-Led (PASSE)

SFY 2021

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Per Member Per Month (PMPM)	Values / Amounts
Projected Baseline PMPM for SFY 2021	\$2,498
Q2 - 2021 PASSE PMPM (Actual)	\$2,390
PMPM Savings (Q2 2021 Projected - Q1 2022 Actual)	\$107
Q2 - 2021 Quarterly Enrollment Member Months	136,709
PASSE Savings / (Cost) Q2 - 2021	\$14.7 M

Note(s): PASSE rates are set on a calendar year basis. To hold the savings target constant, savings are calculated by using the composite PMPM from SFY 2020 indexed by 4.5% annual growth. The savings are the difference between the baseline and the actual PMPM multiplied by member months in the quarter.



Traditional Medicaid Spend by Quarter

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Spending & Savings by Year & Program Dollars in Millions (\$M)	Q2 - SFY20 Actual	Q3 - SFY20 Actual	Q4 - SFY20 Actual	Q1 - SFY21 Actual	Q2 - SFY21 Actual
Institutional Medical Services	\$162.1	\$152.8	\$166.6	\$141.5	\$148.6
Non-Institutional Medical Services	\$131.8	\$132.0	\$100.0	\$113.9	\$131.5
Habilitative & Rehabilitative Services	\$124.3	\$123.8	\$72.0	\$100.5	\$119.5
Long-Term Services & Supports	\$284.8	\$295.1	\$312.4	\$293.5	\$298.6
Pharmacy	\$77.2	\$82.8	\$72.1	\$73.9	\$81.2
Capitated Payments (Includes PASSE, NET, PCMH, and Dental Managed Care)	\$402.3	\$324.3	\$293.0	\$324.3	\$377.6
Supplementals/Cost-Settlements/Access Payments	\$16.1	\$207.5	\$219.1	\$167.0	\$147.7
Non-Claims Payments	\$117.7	\$141.3	\$278.2	\$167.3	\$152.6
Total Traditional Medicaid	\$1,316.2	\$1,459.7	\$1,513.3	\$1,382.0	\$1,459.3

Note(s): (1) These categories contain Contracts, HDCs, Part D claw backs, and other programs which are not part of transformation

(2) As the PASSEs pay for Medical Services, Habilitative & Rehabilitative Services, and Prescription Drugs for their members, there will be corresponding reductions in those fee-for-service expenditures.



**ARKANSAS DEPARTMENT OF
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Source(s): (1) Quarter 2 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 27

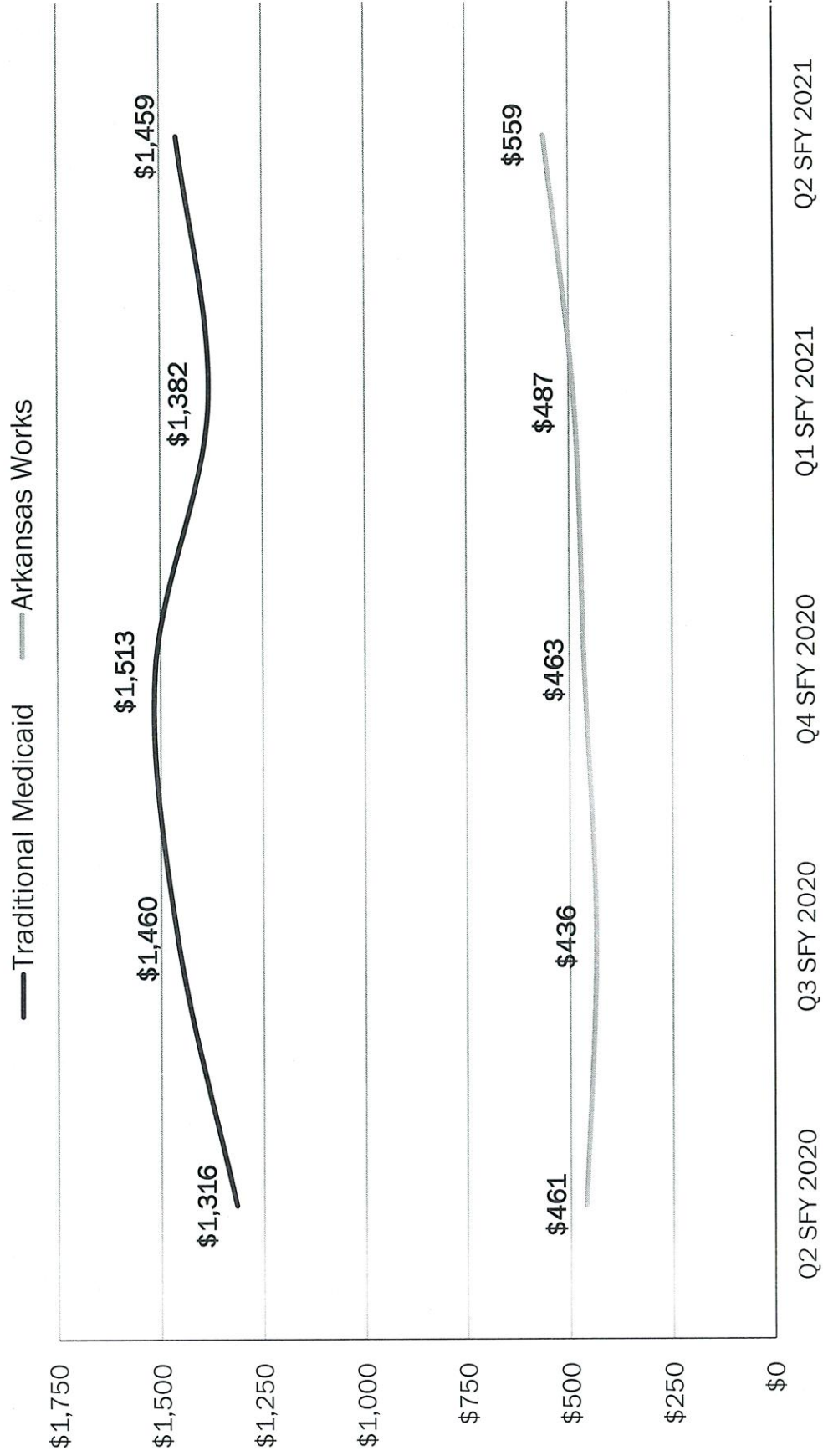
SECTION II

Medicaid Enrollment & Spending Report

Overall Medicaid Spend by Quarter (\$M)

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



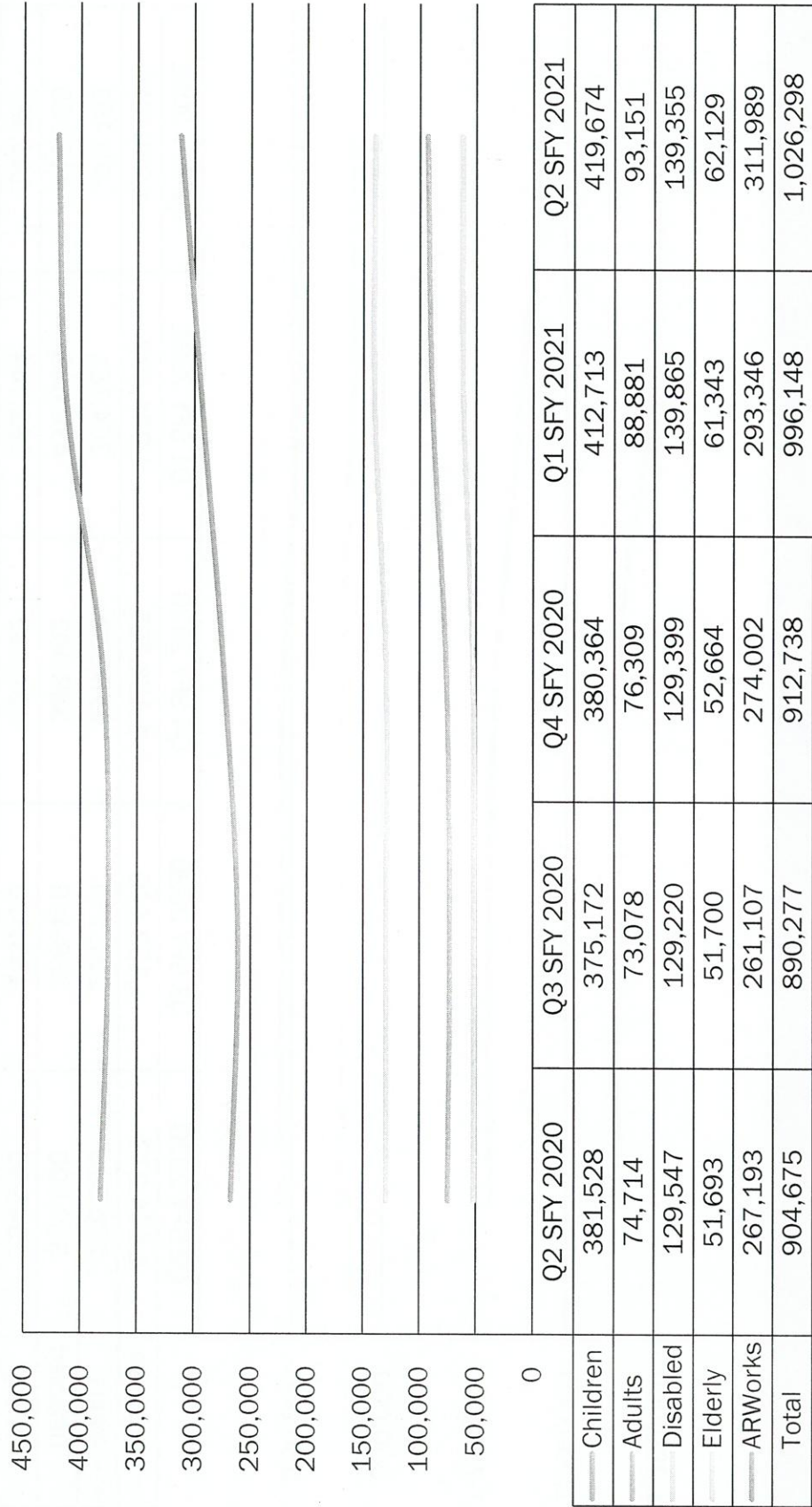
**ARKANSAS DEPARTMENT OF
HUMAN SERVICES**

Source(s): COS Weekly SFY2021 - Week 27

Medicaid Enrollment by Quarter

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Note(s): This enrollment report was run on Feb 11, 2021. Enrollment is counted on the last day of each month. Due to the COVID-19 public health emergency starting in Q4, Medicaid suspended disenrollment.



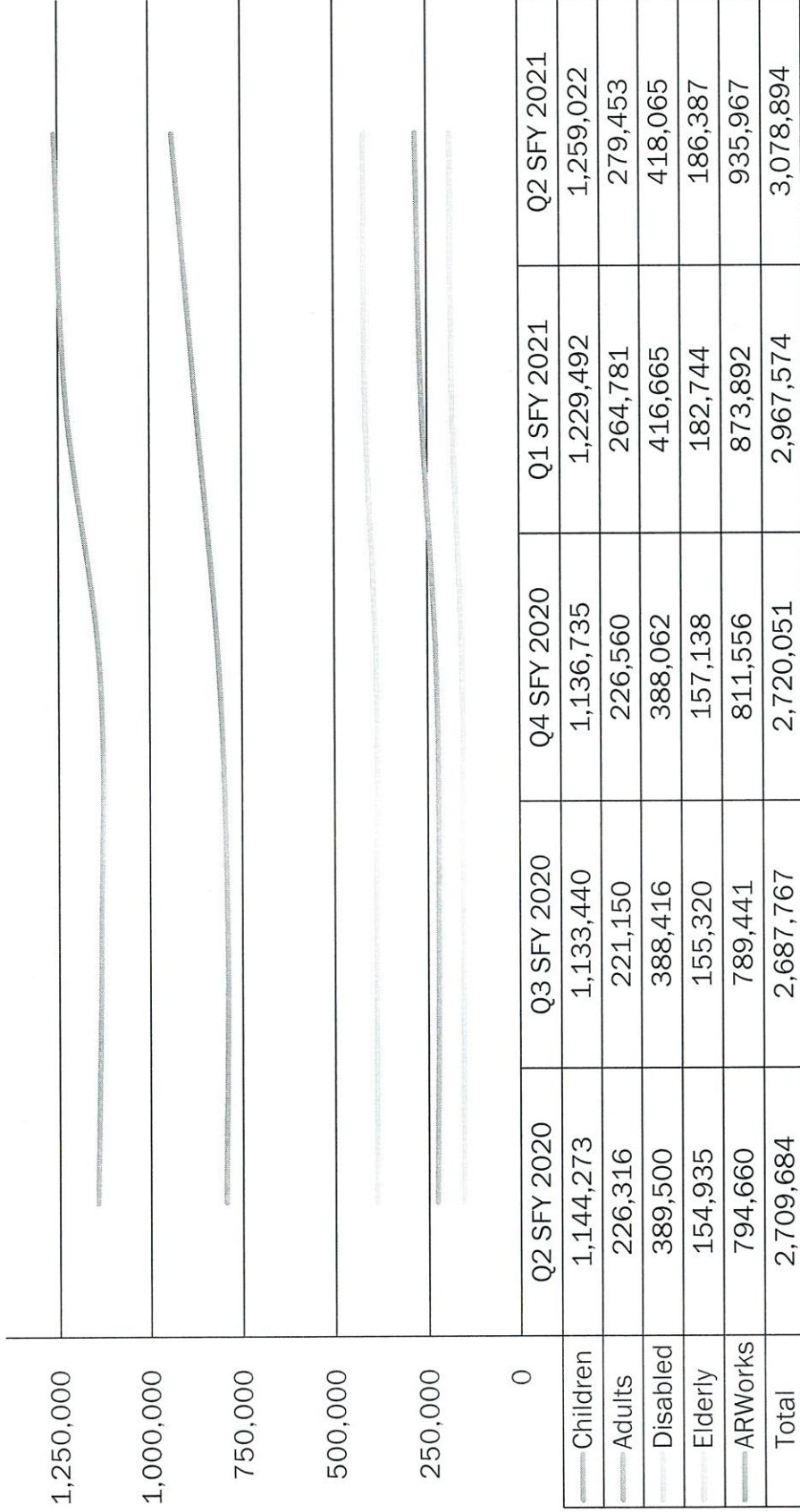
**ARKANSAS DEPARTMENT OF
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Source(s): Quarterly Enrollment by Group (02.11.21)

Medicaid Member Months by Quarter

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Note(s): This enrollment report was run on Feb 11, 2021. Enrollment is counted on the last day of each month. Due to the COVID-19 public health emergency starting in Q4, Medicaid suspended disenrollment.



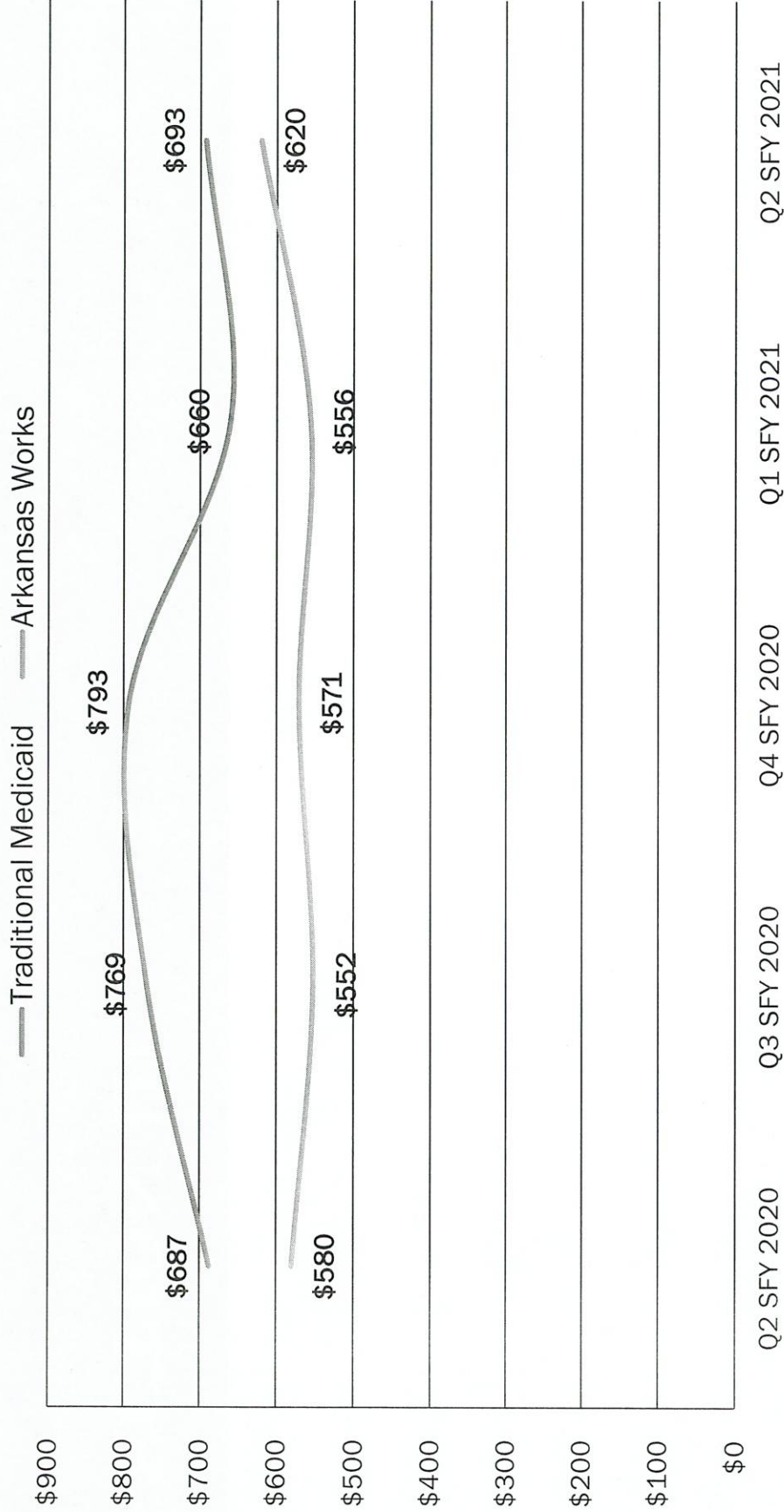
ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): Quarterly Enrollment by Group (02.11.21)

Medicaid Quarterly Per Member Per Month (PMPM)

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Note(s): This enrollment report was run on Feb 11, 2021. Enrollment is counted on the last day of each month.



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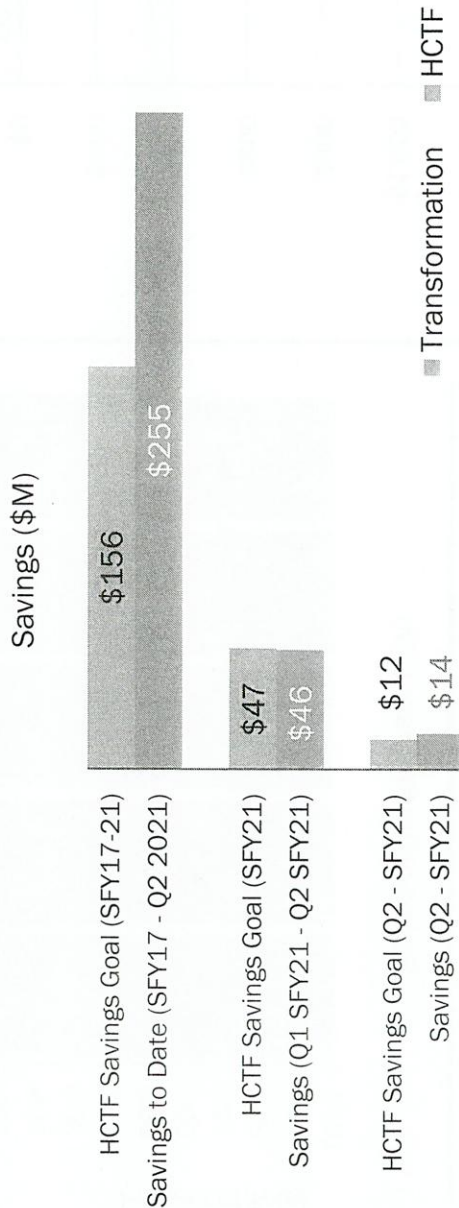
Source(s): (1) COS Weekly SFY2021 - Week 27
(2) Quarterly Enrollment by Group (02.11.21)

SECTION III
Program Scorecards

Developmentally Disabled (DD)

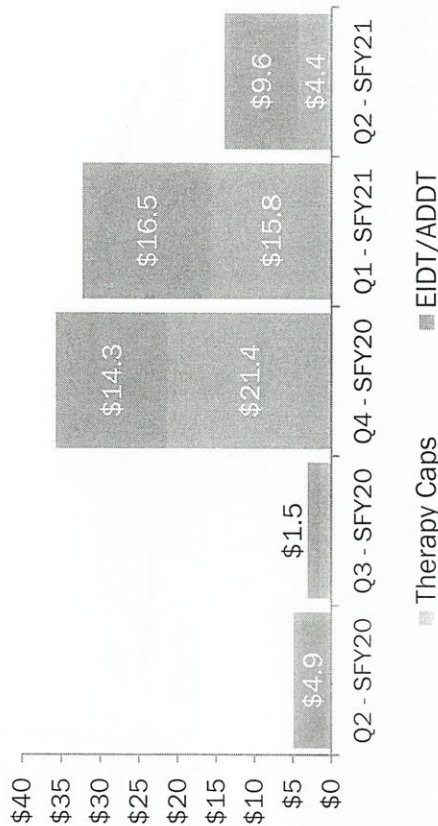
Savings Overview

Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency

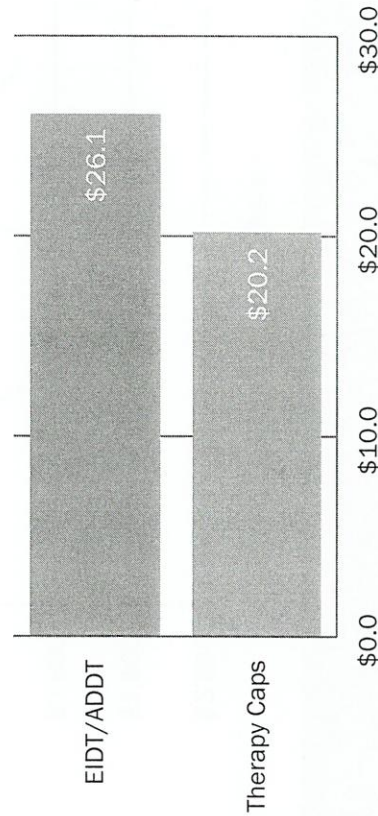


The vast majority of ICF and DD Waiver (Autism and CES) users have transitioned over to the PASSEs. As a result, starting in Q1 - SFY 2020 the Scorecard will only measure savings on Therapy Caps and EIDT/ADDT.

Savings per Quarter (\$M)



Q1 - Q4 SFY 2021 Cumulative Savings (\$M)



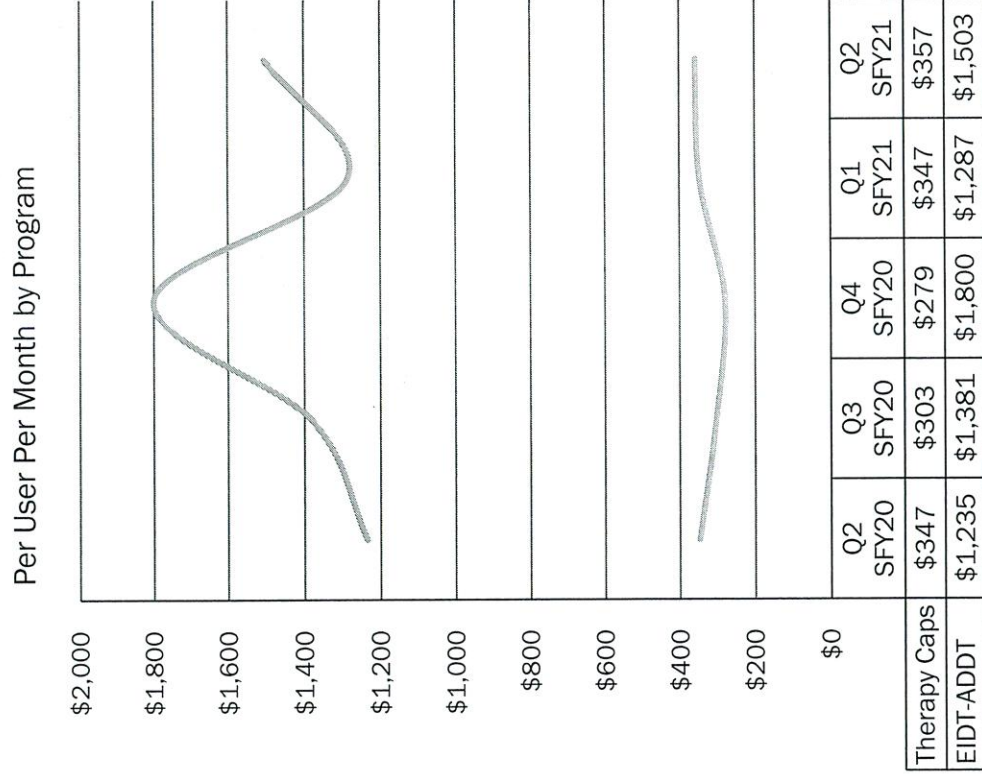
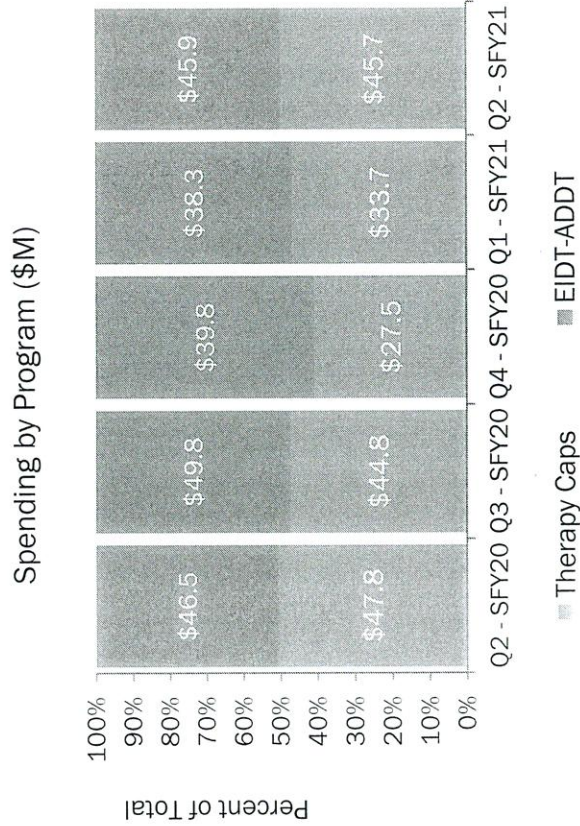
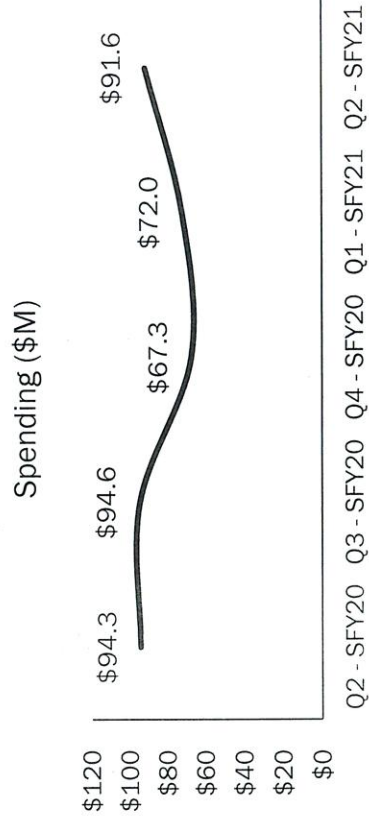
ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): Quarter 2 - SFY 2021 Scorecard Calculations

Developmentally Disabled (DD)

Spending Overview

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Program	Q2 SFY20	Q3 SFY20	Q4 SFY20	Q1 SFY21	Q2 SFY21
Therapy Caps	\$347	\$303	\$279	\$347	\$357
EIDT-ADDT	\$1,235	\$1,381	\$1,800	\$1,287	\$1,503



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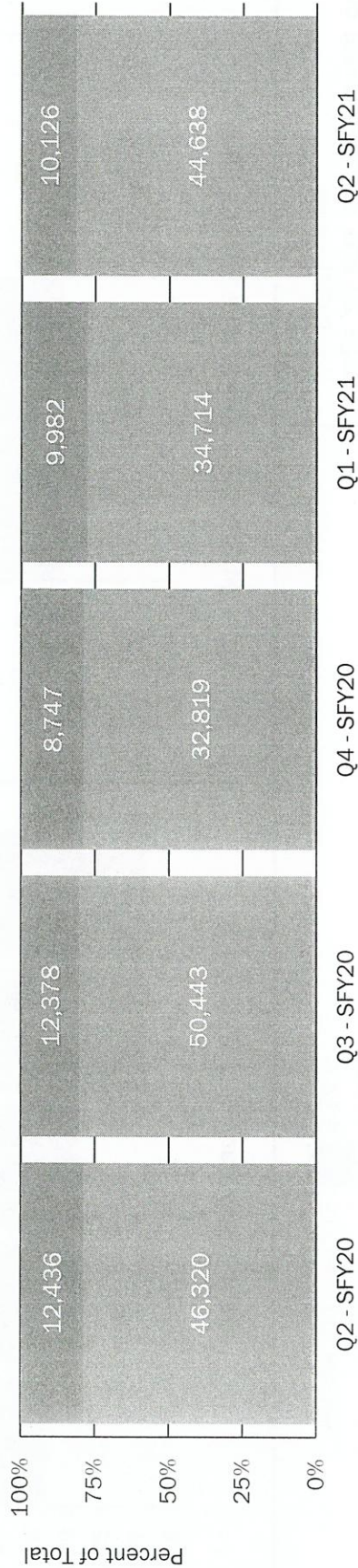
Source(s): COS Weekly SFY2021 - Week 27

Developmentally Disabled (DD)

Program Overview

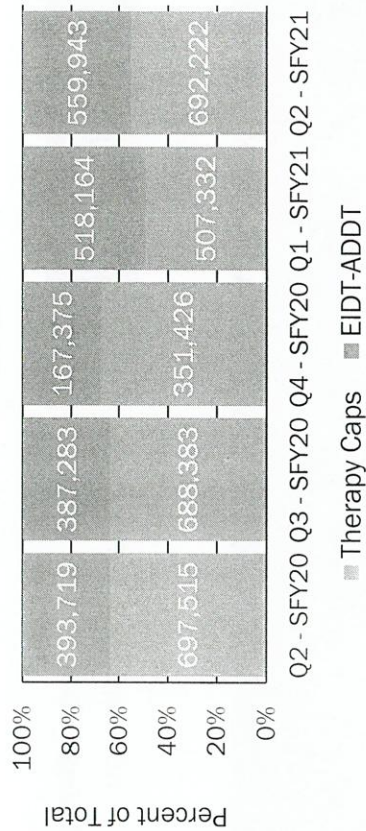
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Users by Program

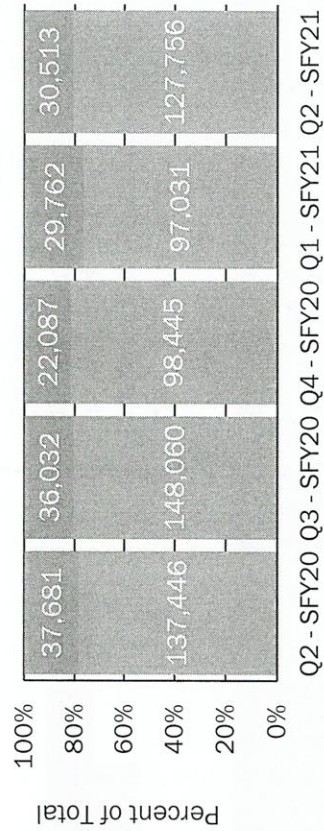


Note(s): Users are the number of people who receive services that were billed under various categories of service. Users DO NOT reflect the number of people who are enrolled in a waiver program.

Claims by Program



Users Months by Program



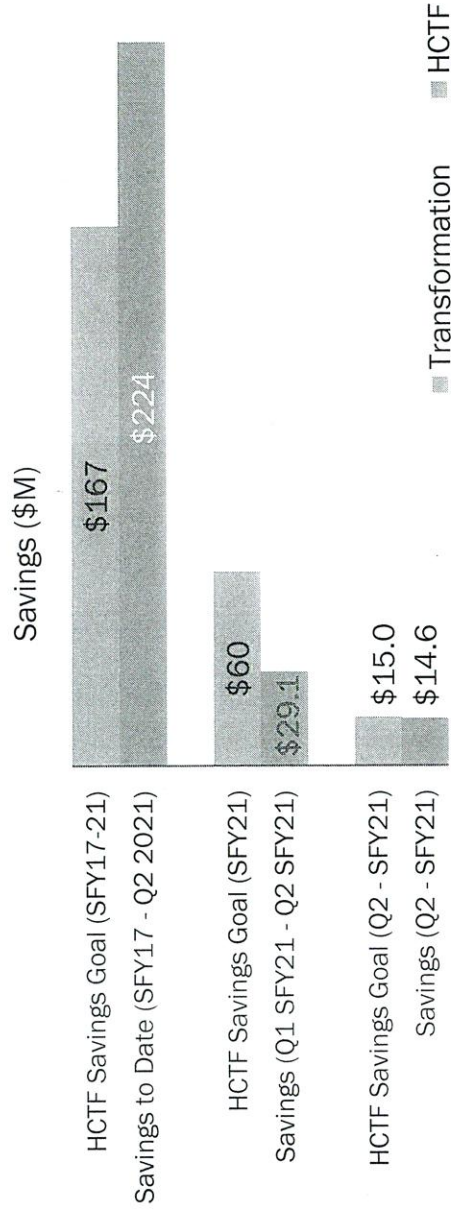
ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): 5.151 Scorecard - DD year over year and monthly (02.12.21)

Behavioral Health (BH)

Savings Overview

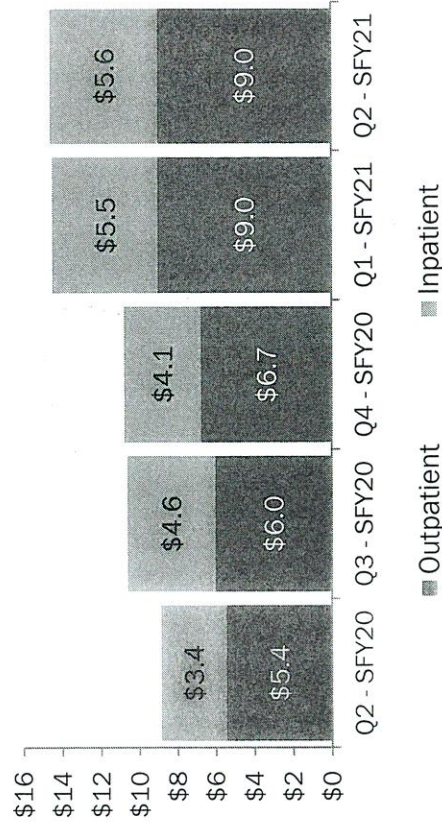
Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency



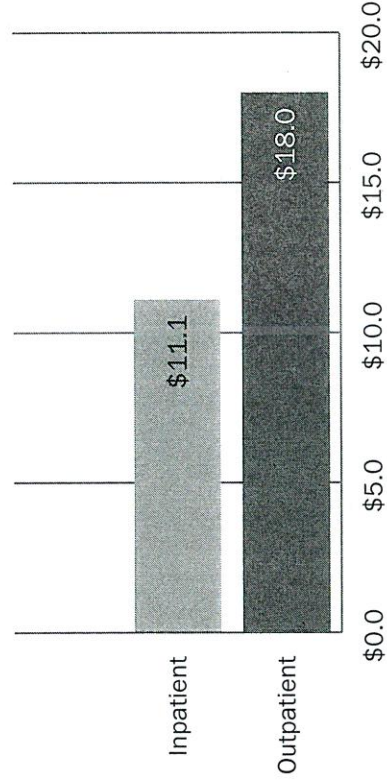
Due to the vast majority of Inpatient and Outpatient BH users transitioning over to the PASSEs, starting in Q1 - SFY 2020 the Scorecard will only measure savings on Non-PASSE users of Inpatient and Outpatient BH services.

As a result, the totals shown on page 29 and 30 reflect those of Non-PASSE users.

Savings per Quarter (\$M)



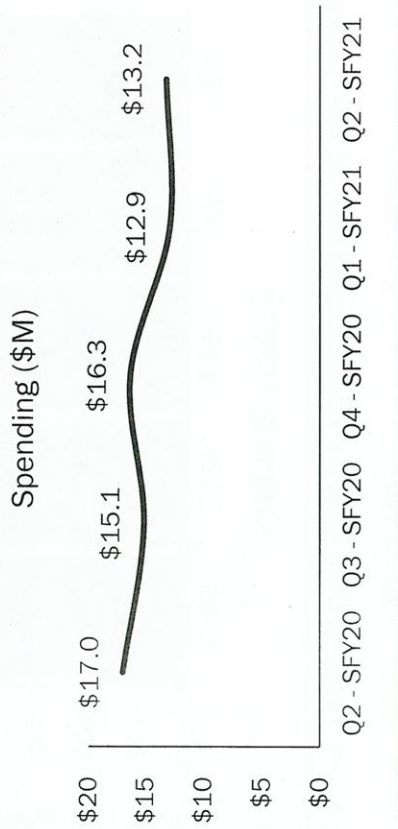
Q1 - Q4 SFY 2021 Cumulative Savings (\$M)



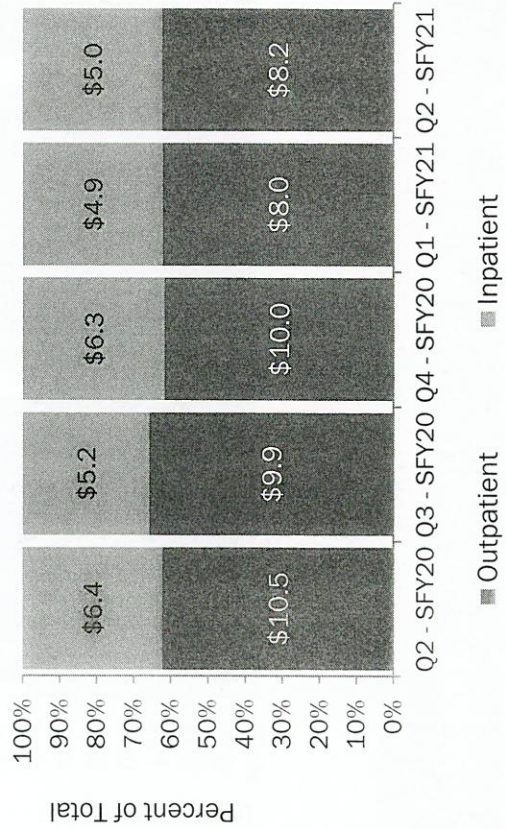
Behavioral Health (BH)

Spending Overview

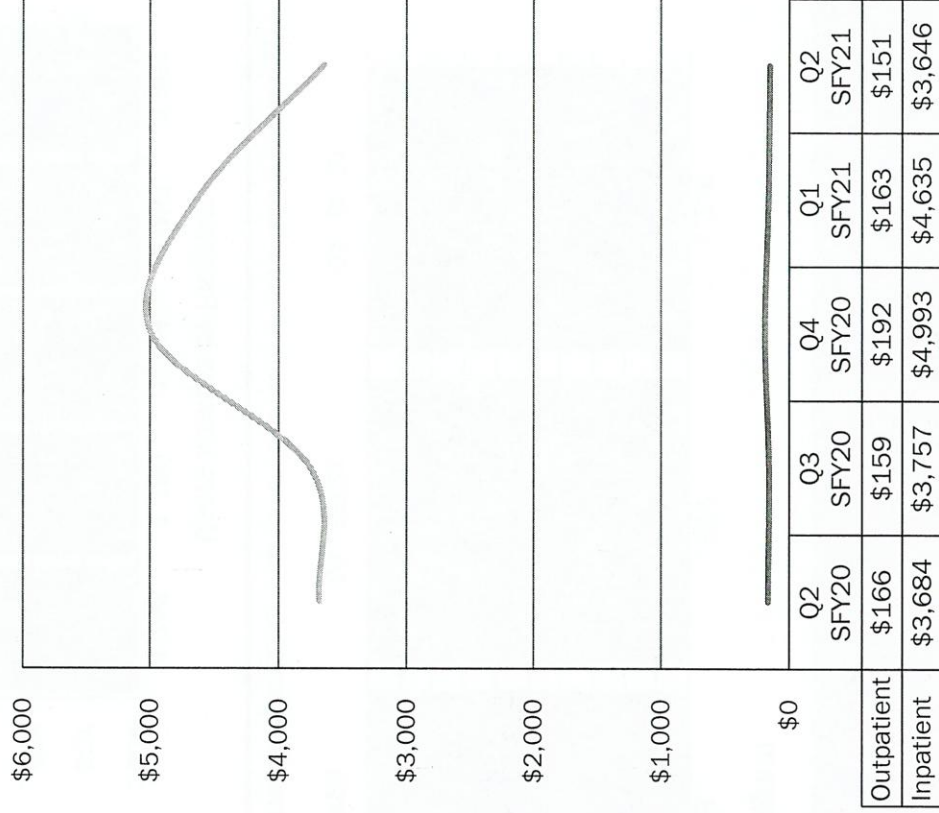
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Spending by Program (\$M)



Per User Per Month by Program



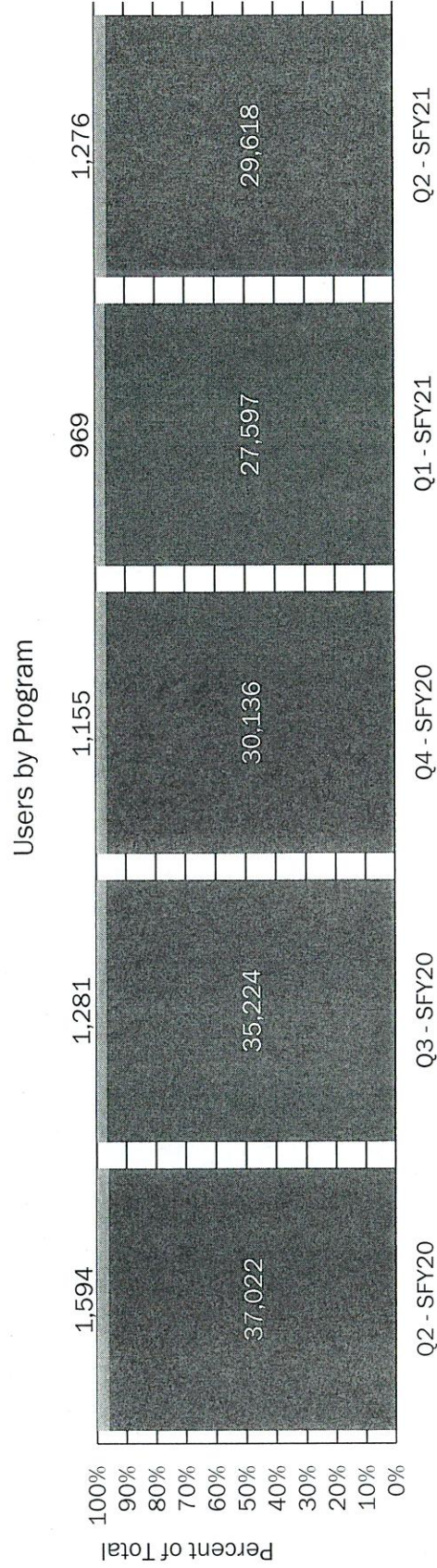
ARKANSAS DEPARTMENT OF
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Source(s): COS Weekly SFY2021 - Week 27

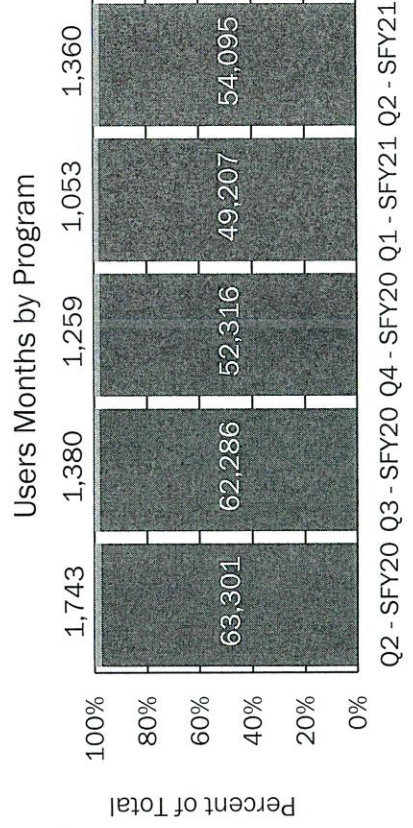
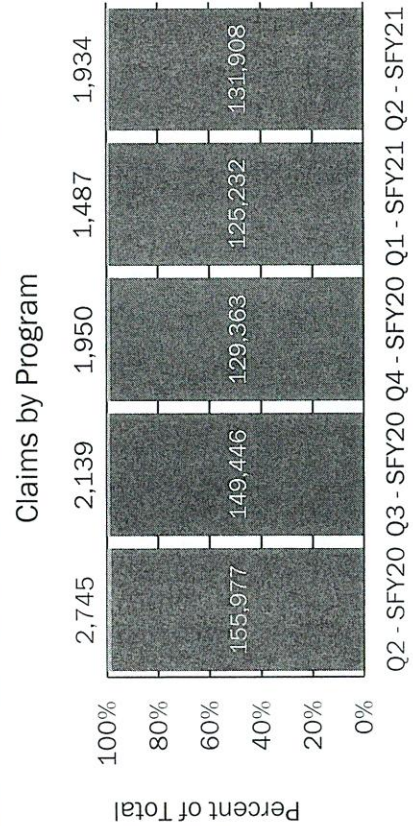
Behavioral Health (BH)

Program Overview

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Note(s): Users are the number of people who receive services that were billed under various categories of service. Users DO NOT reflect the number of people who are enrolled in a waiver program.



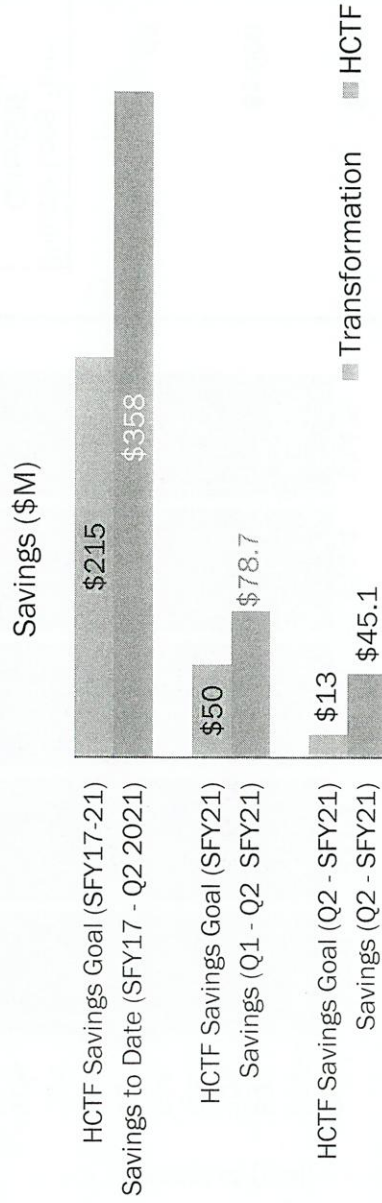
■ Outpatient ■ Inpatient



Long Term Services and Supports (LTSS)

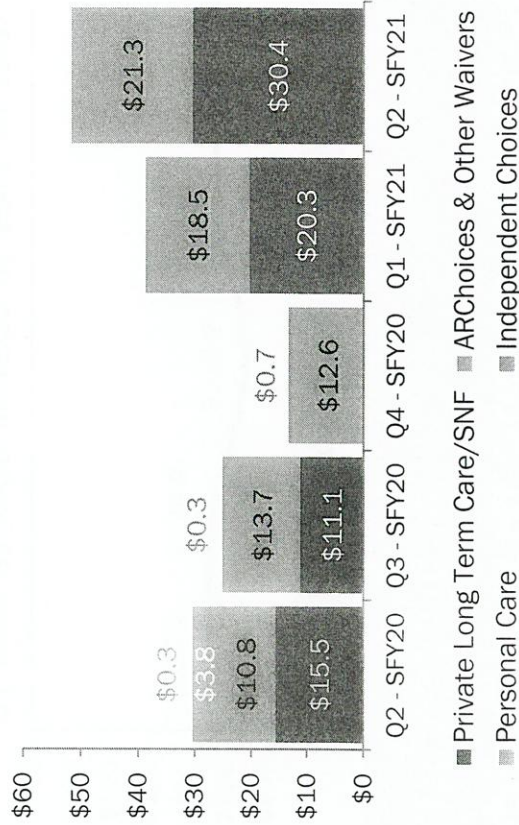
Savings Overview

Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency



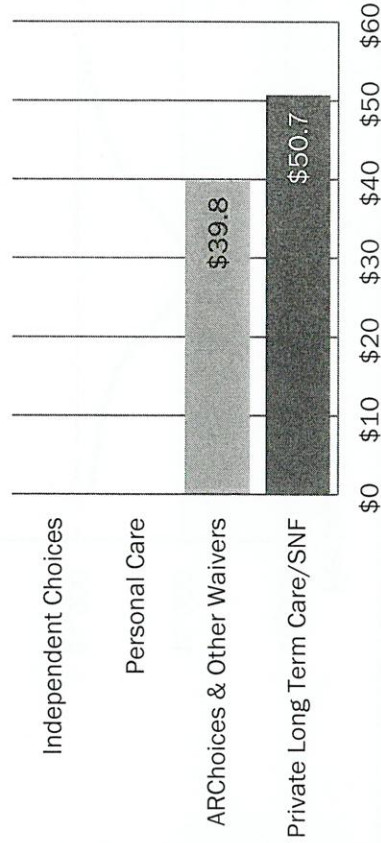
In Q2 - SFY 2021, Personal Care and Independent Choices were over their savings targets by \$5.1M and \$1.5M respectively due to rate increases for both programs.

Savings per Quarter (\$M)



Legend:
 ■ Private Long Term Care/SNF
 ■ Personal Care
 ■ ARChoices & Other Waivers
 ■ Independent Choices

Q1 - Q4 SFY 2021 Cumulative Savings (\$M)



Note(s): (1) In Q3 - SFY 2020, Personal Care was over their savings target by \$25K

(2) In Q4 - SFY 2020, Personal Care and Private SNFs were over their savings targets by \$7.2M and \$9.8M respectively

(3) In Q1 - SFY 2021, Personal Care and Independent Choices were over their savings targets by \$3.7M and \$1.5M respectively.



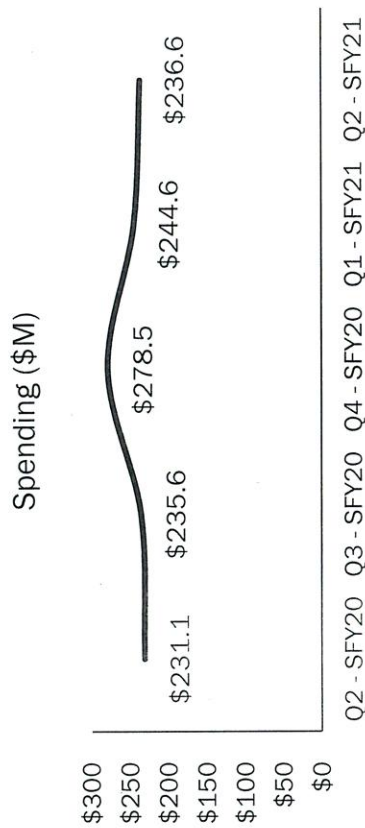
ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): Quarter 2 - SFY 2021 Scorecard Calculations

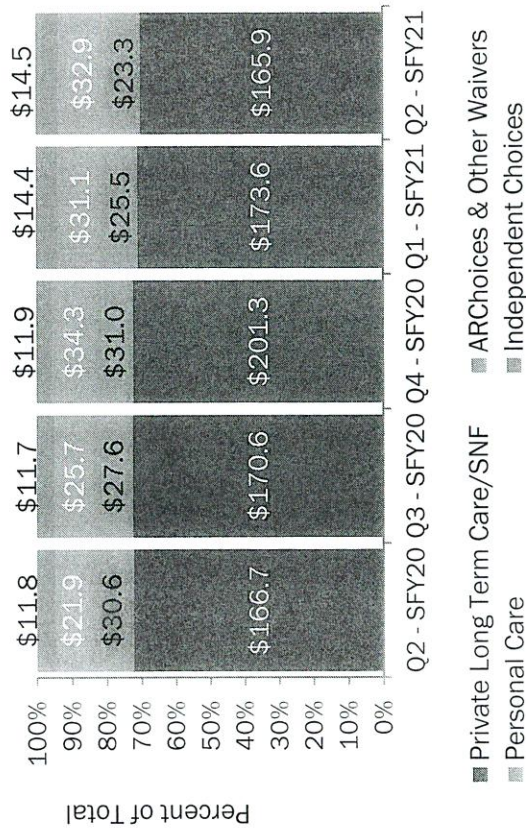
Long Term Services and Supports (LTSS)

Spending Overview

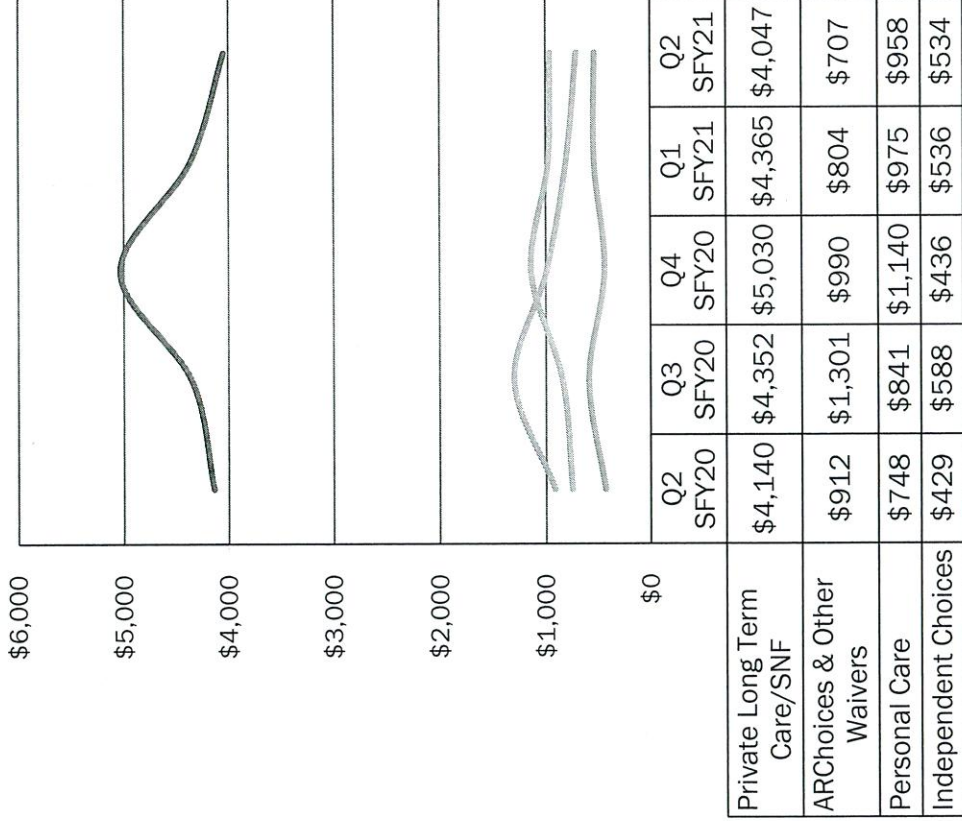
Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency



Spending by Program (\$M)



Per User Per Month by Program



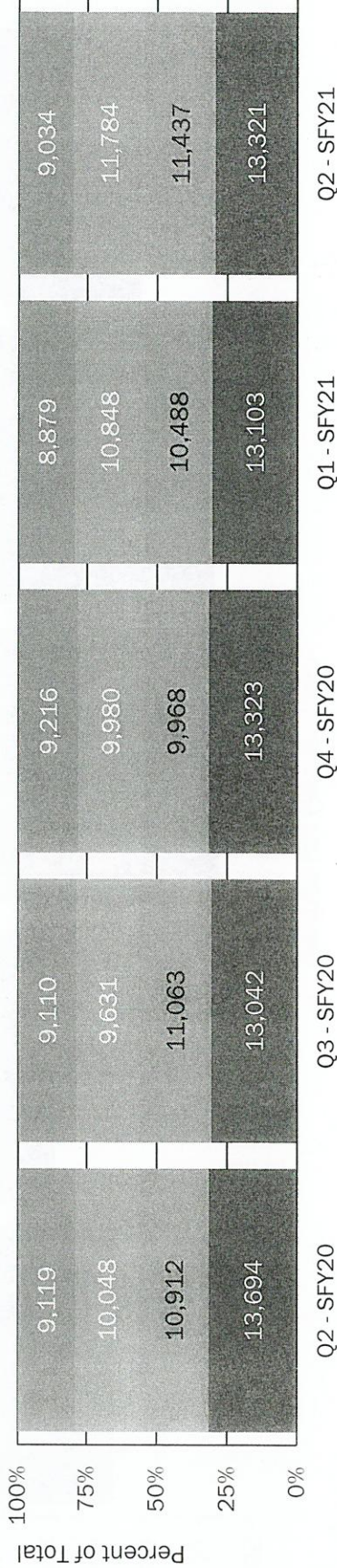
ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): COS Weekly SFY2020 - Week 27

Long Term Services and Supports (LTSS) Program Overview

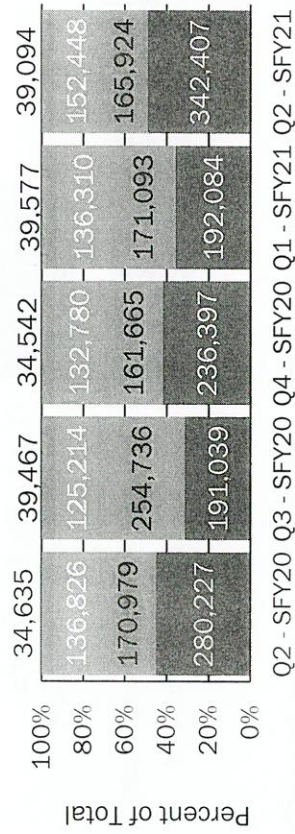
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Users by Program



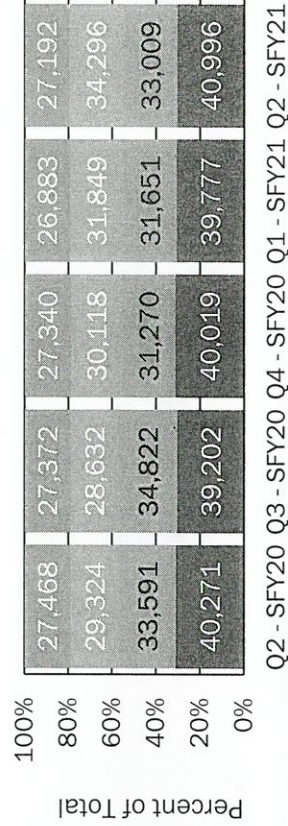
Note(s): Users are the number of people who receive services that were billed under various categories of service. Users DO NOT reflect the number of people who are enrolled in a waiver program.

Claims by Program



- Private Long Term Care/SNF
- Personal Care
- ARChoices & Other Waivers
- Independent Choices

Users Months by Program

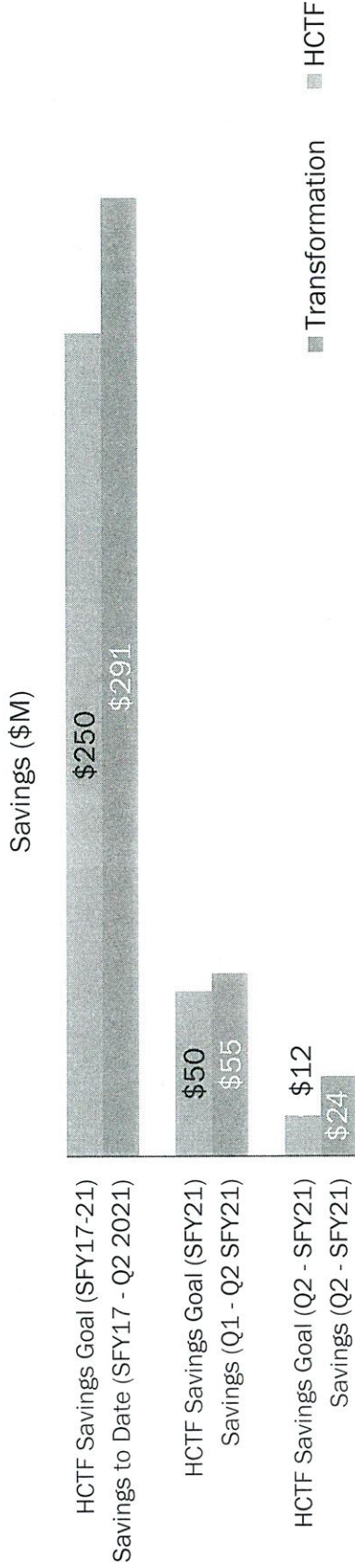


**ARKANSAS DEPARTMENT OF
HUMAN SERVICES**

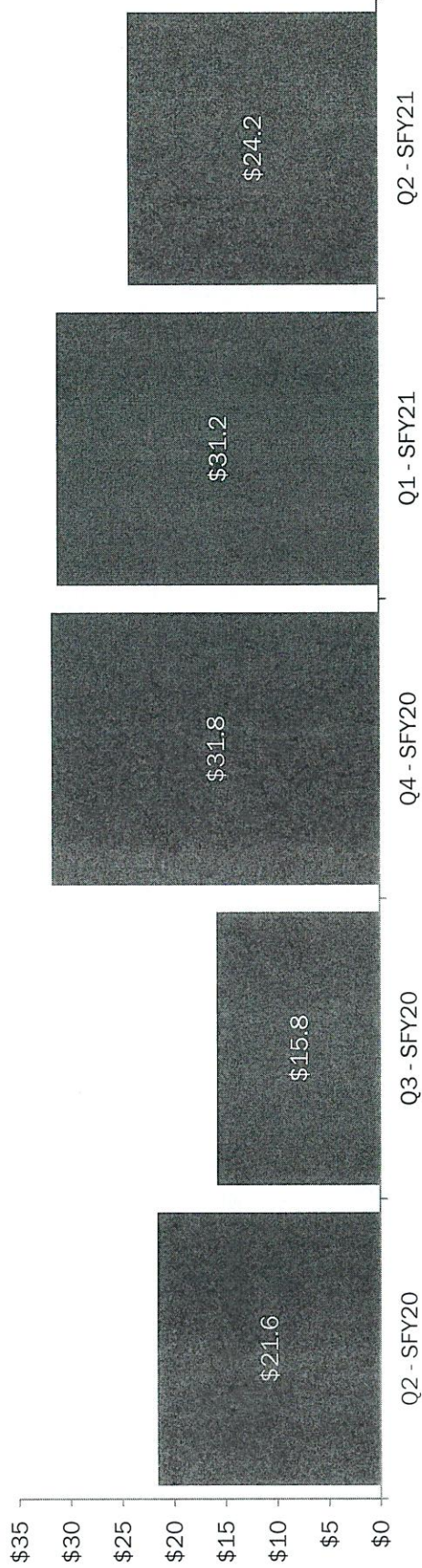
Source(s): 5118_LTSS Quarterly and Monthly Exps with Financial Capitation (02.11.21)

Pharmacy Savings Overview

Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency



Savings per Quarter (\$M)



Note(s): Pharmacy savings does not factor in drug rebates. It is calculated using gross pharmacy expenditures.



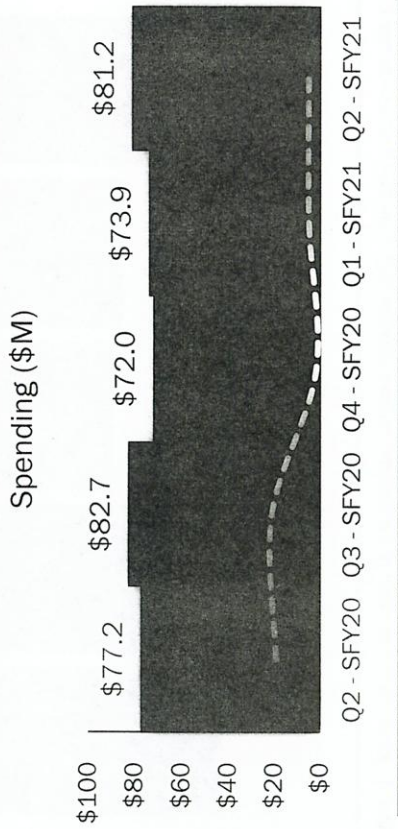
ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): Quarter 2 - SFY 2021 Scorecard Calculations

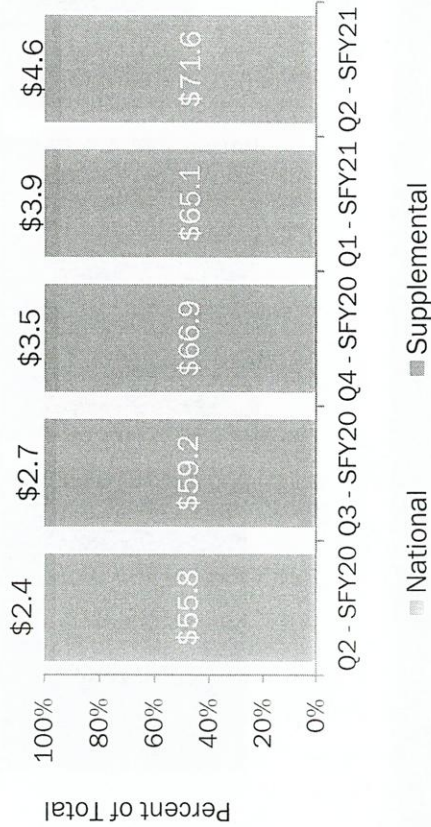
Pharmacy

Spending Overview

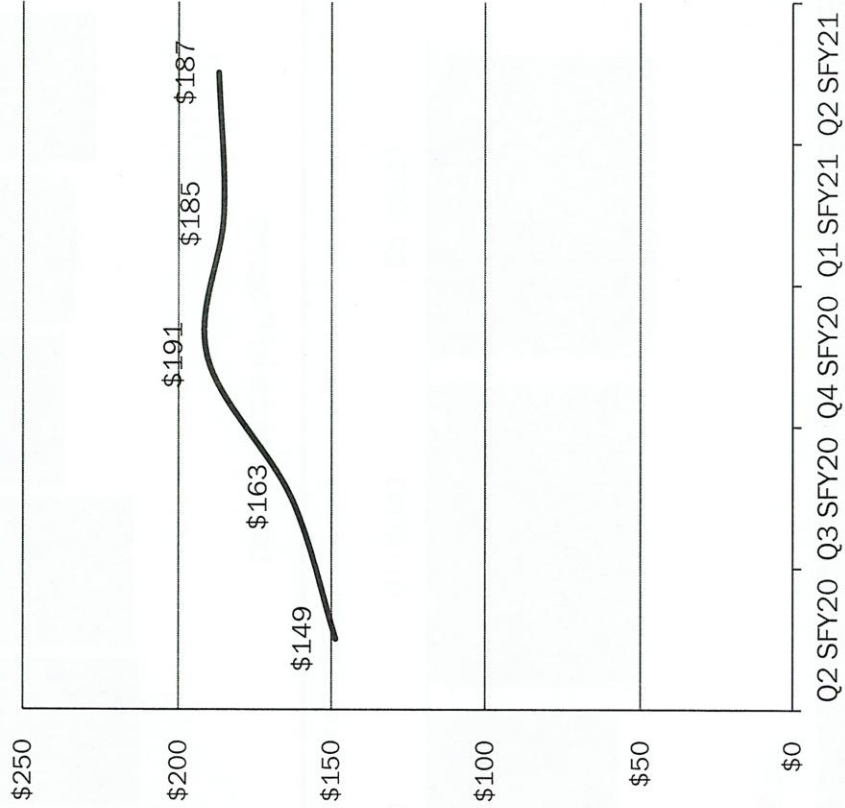
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Rebates by Type (\$M)



Per User Per Month by Program



Note(s): Rebates are collected from drug manufacturers. If the cost of prescription drugs were to appropriately account for rebate, it would reduce spending by more than 50-percent. The dotted line represents spending net of rebates.



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Source(s): (1) COS Weekly SFY2021 - Week 27
(2) Q2-SFY 2021 rebate (2/22/21)

Pharmacy Program Overview

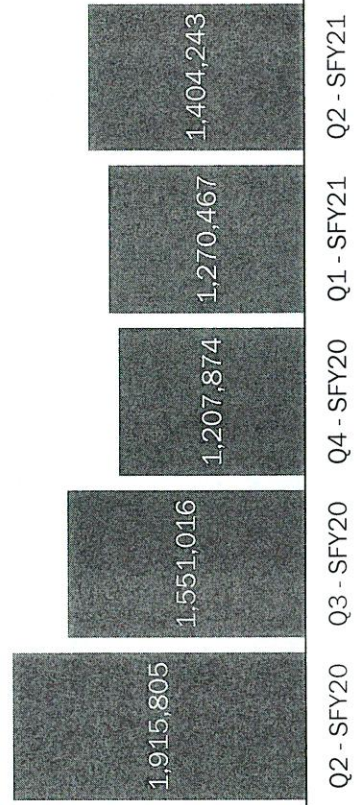
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Users by Program

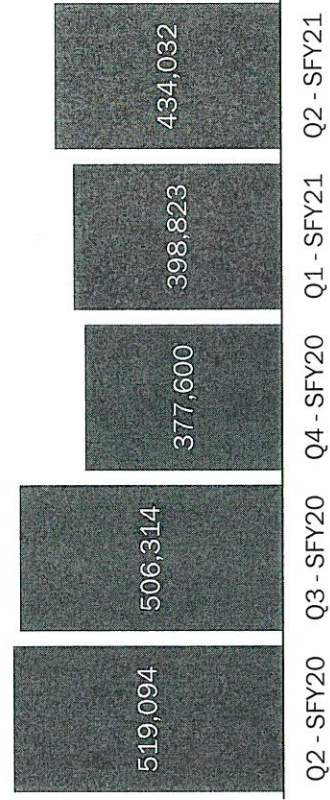


Note(s): Users are the number of people who receive services that were billed under various categories of service. Users DO NOT reflect the number of people who are enrolled in a waiver program.

Claims by Program

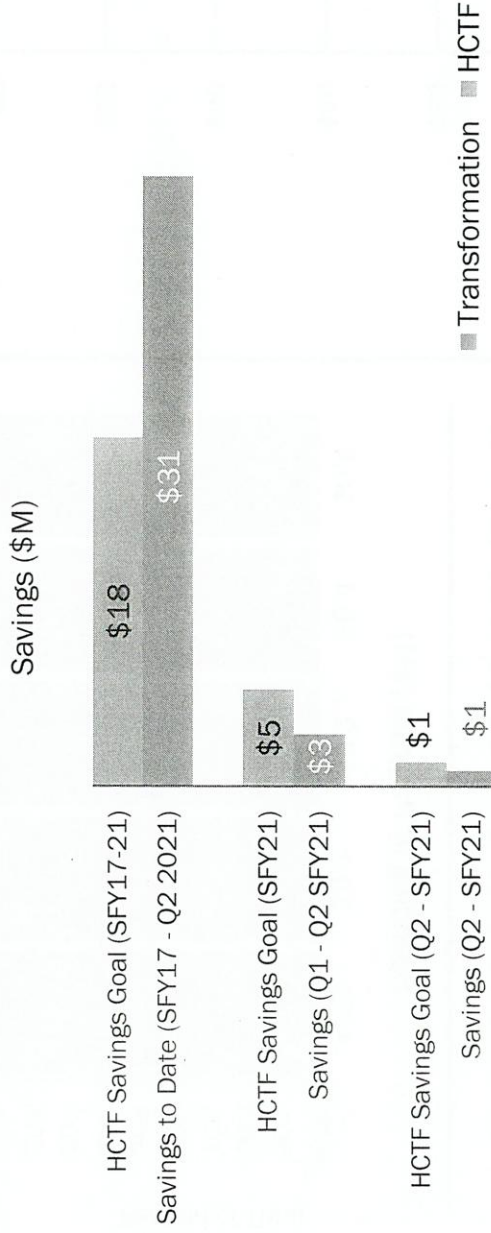


Users Months by Program



Dental Savings Overview

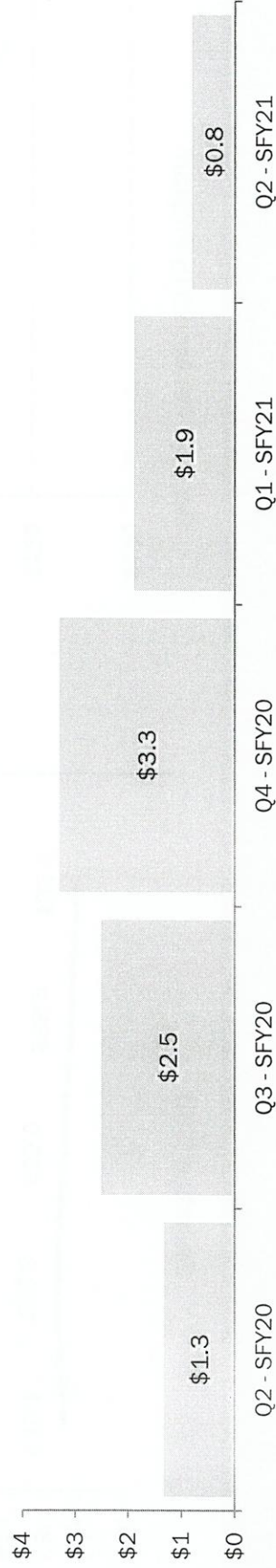
Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency



\$710K

Premium Taxes paid by Dental MCOs in Q1 of SFY 2021

Savings per Quarter (\$M)



Note(s): The Arkansas Insurance Department (AID) collects premium taxes on Dental Managed Care and PASSE organizations 45 days following the end of the quarter. As a result, the scorecard can only report the previous quarter's premium tax payments.



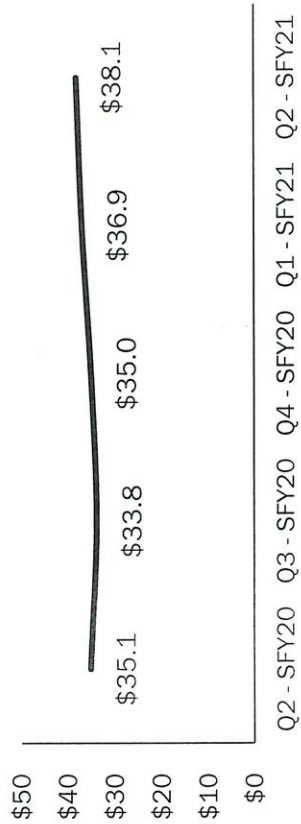
ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): (1) Quarter 2 - SFY 2021 Scorecard Calculations
(2) 2020 RBFO Premium Tax Collections-4thQ_annual update (12.8.20)

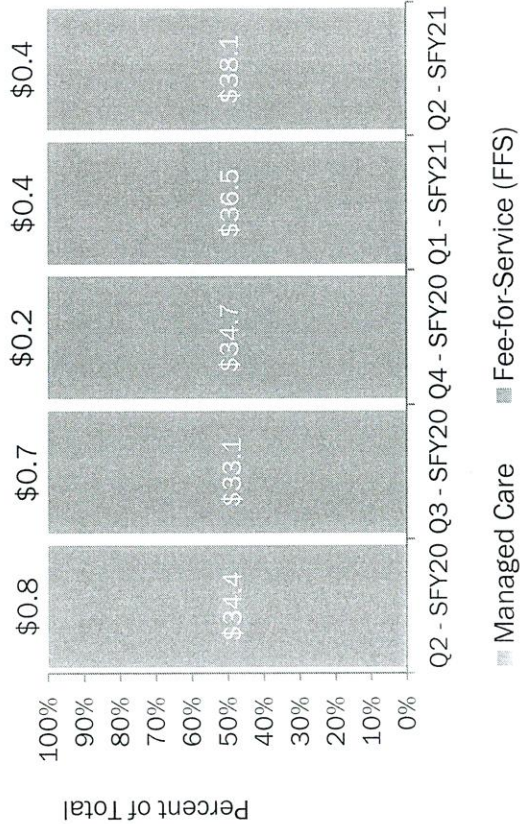
Dental Spending Overview

Note: Q4 SFY2020 Forward Impacted By COVID-19 Public Health Emergency

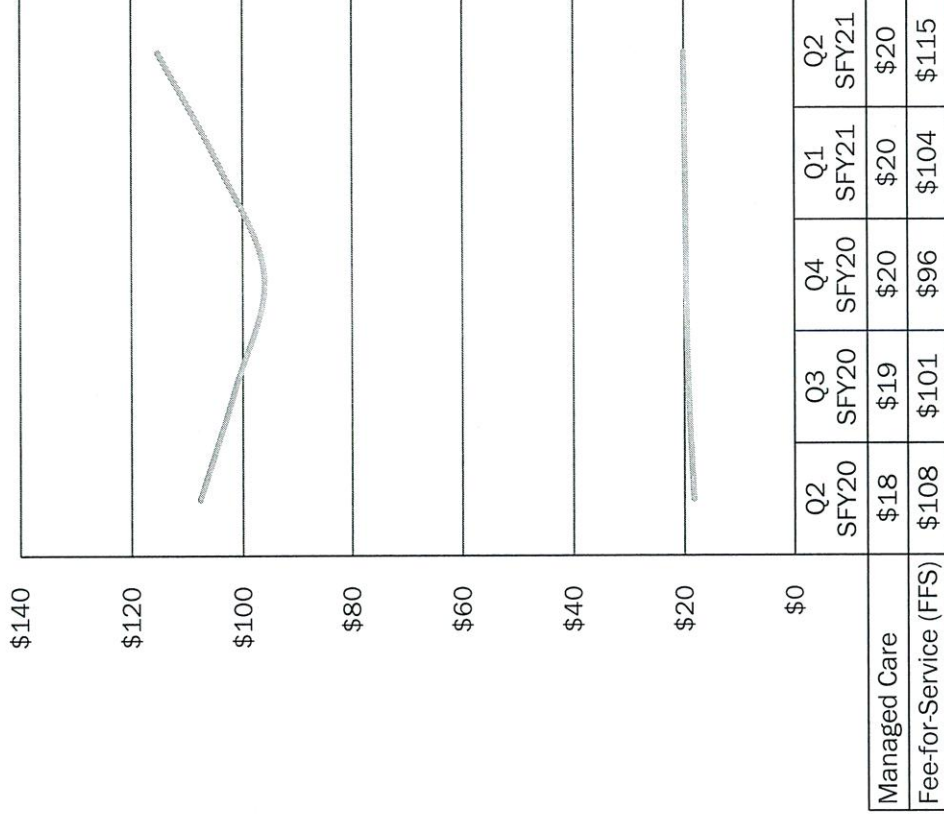
Spending (\$M)



Spending by Program (\$M)



Per User Per Month by Program



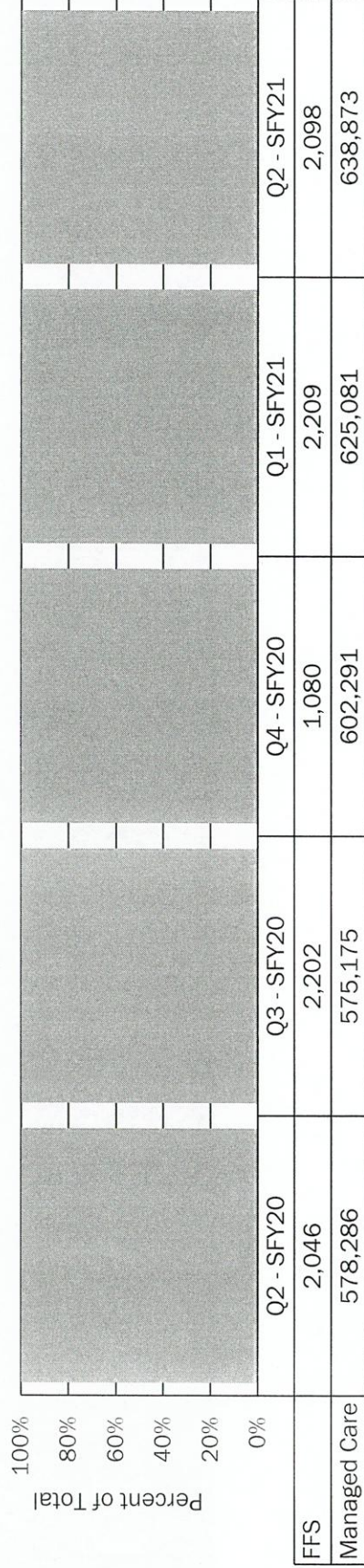
ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): COS Weekly SFY2021 - Week 27

Dental Program Overview

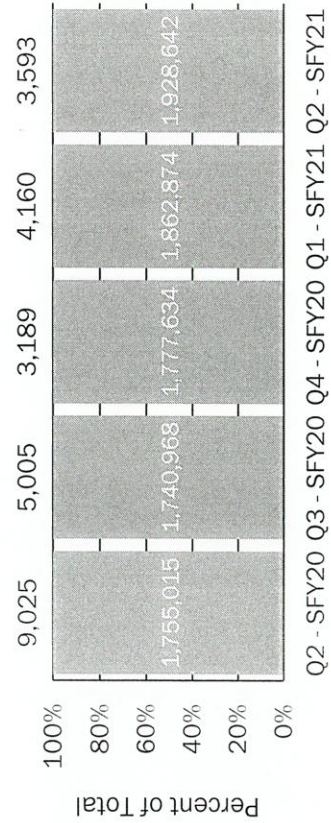
Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Users by Program

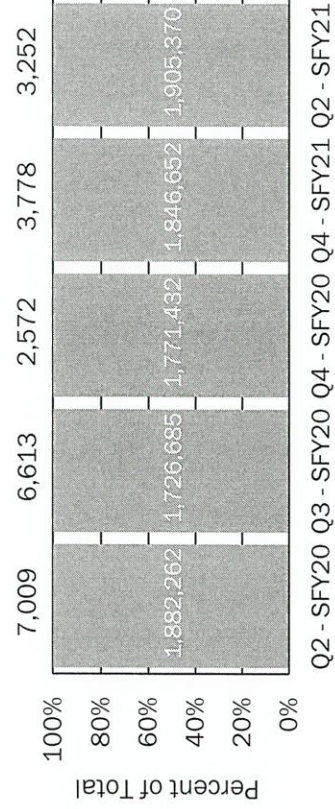


Note(s): Users are the number of people who receive services that were billed under various categories of service. Users DO NOT reflect the number of people who are enrolled in a waiver program.

Claims by Program



Users Months by Program



■ Managed Care ■ Fee-for-Service (FFS)



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Source(s): (1) 6281 Dental Managed Care Assignments and Capitation Summary (02.11.21)
(2) 6313 Dental Fee for Service for Scorecard (02.11.21)

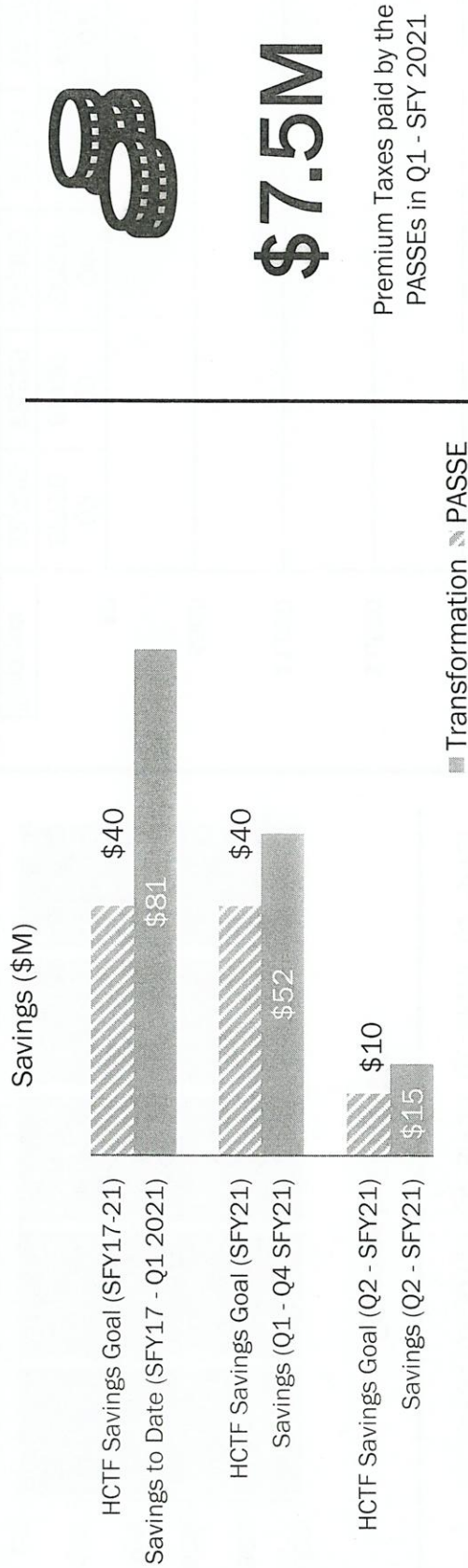
SECTION IV

Provider-led Arkansas Shared Savings Entity (PASSE)

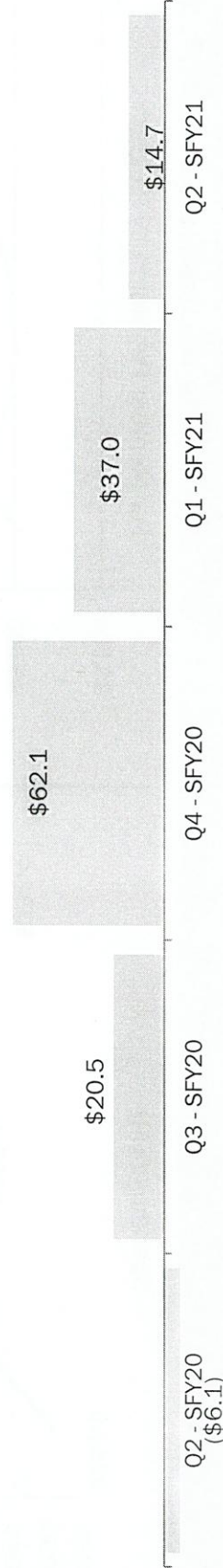
Provider-Led (PASSE)

Savings Overview

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Savings per Quarter (\$M)



Note(s): (1) See page 13 for how PASSE savings is calculated.

(2) The Arkansas Insurance Department (AID) collects premium taxes on Dental Managed Care and PASSE organizations 45 days following the end of the quarter. As a result, the scorecard can only report the previous quarter's premium tax payments.



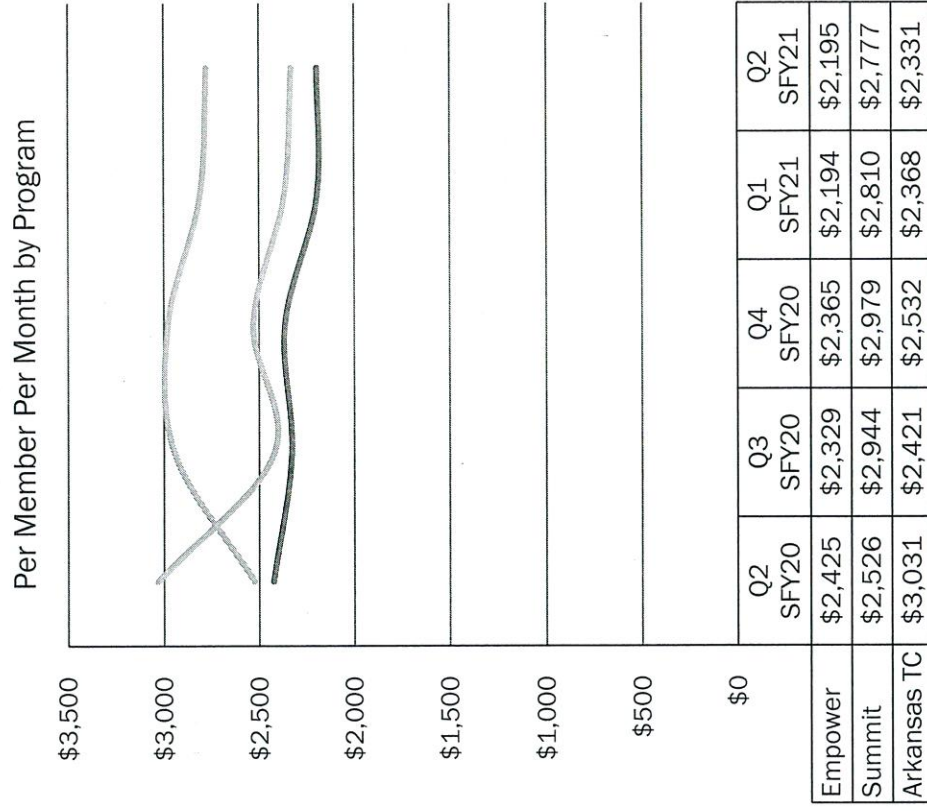
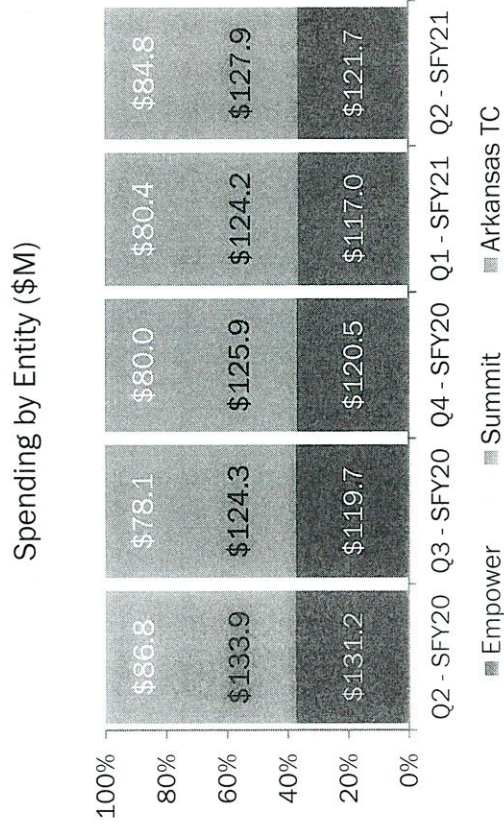
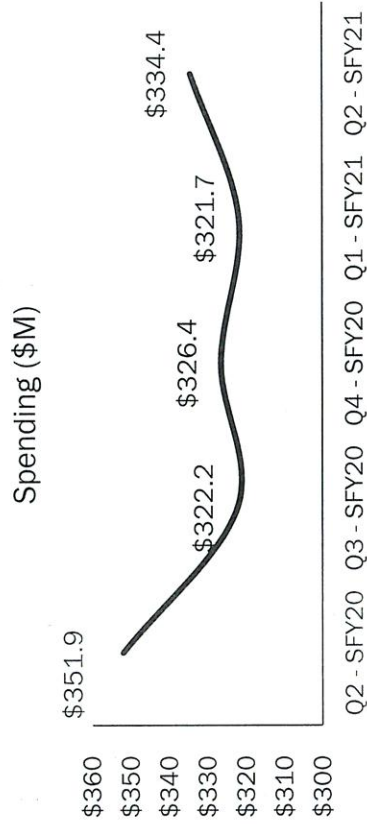
ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): (1) Quarter 2 - SFY 2021 Scorecard Calculations
(2) 2020 RBFO Premium Tax Collections-4thQ_annual update (12.8.20)

Provider-Led (PASSE)

Spending Overview

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency



Note(s): (1) PASSEs assumed full-risk (Phase II) on March 1, 2019.



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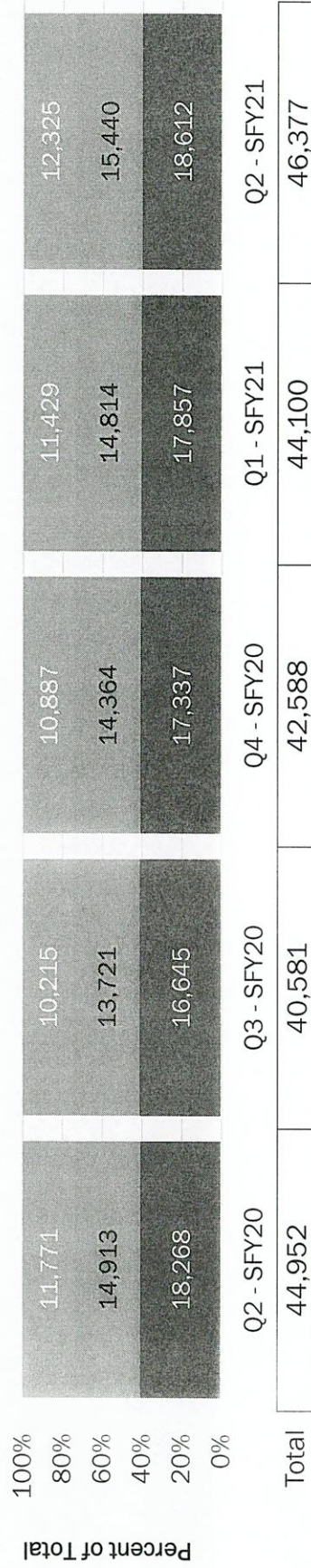
Source(s): 8665 Scorecard - PASSE Enrollment Statistics (02.12.21)

Provider-Led (PASSE)

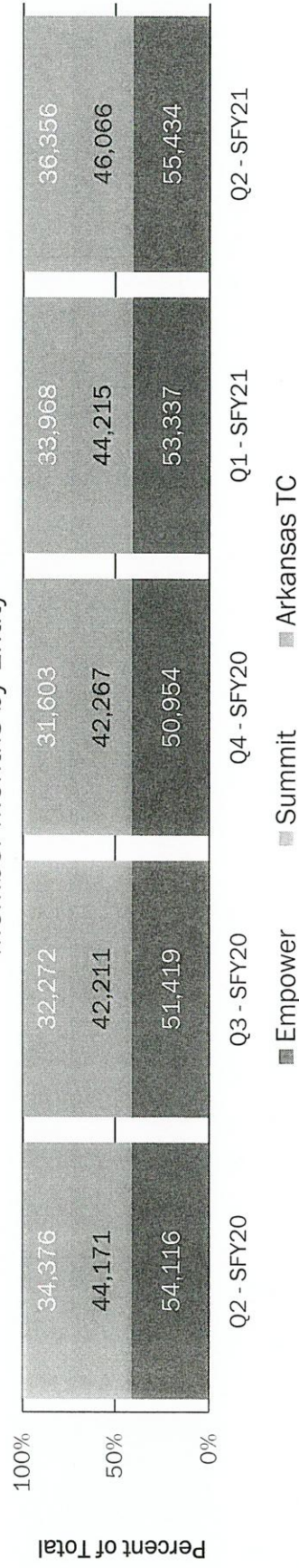
Program Overview

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

PASSE Enrollment by Quarter



Member Months by Entity



Note(s): (1) This point-in-time report was run on Jul. 10, 2019. Enrollment for each quarter is counted on the last day of each month and DOES NOT include retro-active eligibility for each month and as a result do not change Scorecard to Scorecard.
(2) PASSEs assumed full-risk (Phase II) on March 1, 2019.



ARKANSAS DEPARTMENT OF HUMAN SERVICES

Source(s): 8665 Scorecard - PASSE Enrollment Statistics (02.12.21)

APPENDIX

Detailed Spending by State Fiscal Quarter

Developmentally Disabled (DD)

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Spending & Savings by Year & Program Dollars in Millions (\$M)	Q2 - SFY20 Actual	Q3 - SFY20 Actual	Q4 - SFY20 Actual	Q1 - SFY21 Actual	Q1 - SFY21 HCTF Topline (5% Annual Increase)	Q1 - SFY21 Actual	Q1 - SFY21 Savings / (Cost)
Therapy Caps	\$47.8	\$44.8	\$27.5	\$33.7	\$50.1	\$45.7	\$4.4
Day Treatment (EIDT/ADDT)	\$46.5	\$49.8	\$39.8	\$38.3	\$55.5	\$45.9	\$9.6
Total DD	\$94.3	\$94.6	\$67.3	\$72.0	\$105.6	\$91.6	\$14.0

Note(s): The vast majority of ICF and DD Waiver (Autism and CES) users have transitioned over to the PASSEs. As a result, the Scorecard will only measure savings on Therapy Caps and EIDT/ADDT going forward.



**ARKANSAS DEPARTMENT OF
HUMAN SERVICES**

Source(s): (1) Quarter 2 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 27

Behavioral Health (BH)

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Spending & Savings by Year & Program Dollars in Millions (\$M)	Q2 - SFY20 Actual	Q3 - SFY20 Actual	Q4 - SFY20 Actual	Q1 - SFY21 Actual	Q2 - SFY21 HCTF Topline (5% Annual Increase)	Q2 - SFY21 Actual	Q2 - SFY21 Savings / (Cost)
Inpatient	\$6.4	\$5.2	\$6.3	\$4.9	\$10.6	\$5.0	\$5.6
Outpatient	\$10.5	\$9.9	\$10.0	\$8.0	\$17.2	\$8.2	\$9.0
Total BH	\$17.0	\$15.1	\$16.3	\$12.9	\$27.8	\$13.2	\$14.6

Note(s): Due to the vast majority of Inpatient and Outpatient BH users transitioning over to the PASSE, the Scorecard will only measure savings on Non-PASSE users of Inpatient and Outpatient BH services. As a result, the totals shown above reflect those of Non-PASSE users.



**ARKANSAS DEPARTMENT OF
HUMAN SERVICES**

Source(s): (1) Quarter 2 - SFY 2021 Scorecard Calculations
(2) COS Weekly SFY2021 - Week 27

Long Term Services and Supports (LTSS)

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Spending & Savings by Year & Program Dollars in Millions (\$M)	Q2 - SFY20 Actual	Q3 - SFY20 Actual	Q4 - SFY20 Actual	Q1 - SFY21 Actual	Q2 - SFY21 HCTF Topline (5% Annual Increase)	Q2 - SFY21 Actual	Q2 - SFY21 Savings / (Cost)
Independent Choices	\$11.8	\$11.7	\$11.9	\$14.4	\$13.0	\$14.5	(\$1.5)
Personal Care	\$21.9	\$25.7	\$34.3	\$31.1	\$27.8	\$32.9	(\$5.1)
ARChoices & Other Waivers	\$30.6	\$27.6	\$31.0	\$25.5	\$44.6	\$23.3	\$21.3
Private Long Term Care / SNF	\$166.7	\$170.6	\$201.3	\$173.6	\$196.3	\$165.9	\$30.4
Total LTSS	\$231.1	\$235.6	\$278.5	\$244.6	\$281.7	\$236.6	\$45.1



Pharmacy and Dental

SFY 2020-21

Note: Q4 SFY2020 Forward Impacted
By COVID-19 Public Health Emergency

Spending & Savings by Year & Program Dollars in Millions (\$M)	Q2 - SFY20 Actual	Q3 - SFY20 Actual	Q4 - SFY20 Actual	Q1 - SFY21 Actual	Q2 - SFY21 HCTF Topline (5% Annual Increase)	Q2 - SFY21 Actual	Q2 - SFY21 Savings / (Cost)
Total Pharmacy	\$77.2	\$82.7	\$72.0	\$73.9	\$106.4	\$82.2	\$24.2
Managed Care	\$34.4	\$33.1	\$34.7	\$36.5	\$38.24	\$38.1	\$0.1
Fee for Service	\$0.8	\$0.7	\$0.2	\$0.4	\$1.0	\$0.4	\$0.7
Total Dental	\$35.1	\$33.8	\$35.0	\$35.0	\$39.3	\$38.5	\$0.8

