

EXHIBIT C

MINUTES HEALTH REFORM LEGISLATIVE TASK FORCE

December 14, 2016

The Health Reform Legislative Task Force met Wednesday, December 14, 2016 at 10:00 a.m. in Committee Room A of the Big MAC Building, Little Rock, Arkansas.

Senate Health Reform Task Force Members Attending: Senators Cecile Bledsoe, Vice Chair; Linda Chesterfield, John Cooper, Jonathan Dismang, Keith Ingram, and Jason Rapert.

House Health Reform Task Force Members Attending: Representatives Charlie Collins, Chair; Reginald Murdock, Vice Chair; Justin Boyd, Joe Farrer, Michelle Gray, Kim Hammer, and David Meeks.

Non Legislative Members Attending: NONE.

Other Legislators Attending: Senators Joyce Elliott, Linda Collins-Smith, Scott Flippo, and Missy Irvin. Representatives Mary Bentley, David Branscum, Andy Davis, Jon Eubanks, Kenneth Ferguson, Vivian Flowers, Ken Henderson, Grant Hodges, Douglas House, Julie Mayberry, George McGill, Micah Neal, Sue Scott, James Sorvillo, Nelda Speaks, Dan Sullivan, Dwight Tosh, and Jeff Wardlaw.

Members-Elect Attending: Representatives-Elect Fred Allen, Bruce Coleman, and Danny Watson.

Call to Order & Comments by the Chairs

Representative Charlie Collins called the meeting to order, and stated that today and tomorrow are the final meetings of the Health Reform Task Force. Therefore, the main focus of both meetings will be on the final report.

Consideration to Adopt the Minutes from the November 22, 2016 Meeting (EXHIBIT C)

Without objection the minutes from the November 22, 2016, meeting was approved.

The Stephen Group (TSG) Update and Review of the Draft Final Report

John Stephen, Managing Partner, Richard Kellogg, Senior Consultant, Stephen Palmer, Ph.D., Senior Consultant, and Rory Rickard, Senior Consultant, all with TSG; presented an overview of the final drafted report.

Mr. Stephen discussed in detail the final draft report section by section, answering questions from legislators during this discussion. Mr. Stephen will provide the legislators a copy of Representative Price's document that describes how the government proposes to change the Affordable Care Act (ACA) before it is replaced.

Mr. Stephen listed the three directions that Arkansas may pursue and still gain the projected savings.

- ❖ Continue with the plan that is already a work in progress
- ❖ A managed care approach, which limits bidders to Arkansas provider-owned and improves AR savings \$200 million over five years
- ❖ Managed care not limited to Arkansas bidders or provider-owned and it potentially saves Arkansas another \$100 million.

Representative Collins recessed the meeting at 11:45 until 1:15 p.m.

The meeting re-convened October 24, 2016 @ 1:15 p.m.

Response to the Draft Final Report from Department of Human Services (DHS)

The following staff from the Department of Human Services responded to the drafted final report:

Cindy Gillespie, Director, Arkansas Department of Human Services, DHS
Kelly Linck, Legislative Intergovernmental Affairs Liaison, DHS
Dawn Stehle, Director, Division of Medical Services, DHS
Melissa Stone, Director, Division of Developmental Disabilities Services, DHS
Mary Franklin, Director, Division of County Operations, DHS
Charlie Green, Ph.D., Director, Division of Behavioral Health Services, DHS
Craig Cloud, Director, Division of Aging and Adult Services, DHS
Dennis Smith, Senior Advisor for Medicaid and Health Care Reform, DHS

Ms. Franklin gave a brief update on the Developmental Disabilities Services case backlog. In two months DHS has worked these cases down from 146,000 to 8,912 and they will continue to work diligently on this issue until there is no backlog left.

Ms. Stehle said that DHS supports TSG's approach and Mr. Dennis Smith said it will

Representative Collins stated that if anyone has questions or concerns about the final report, now is the time to voice them, before the report is approved tomorrow for presentation to the legislature. Representative Collins and Jill Thayer confirmed that this report is just for recommendation and has no power of legislation in it.

DRAFT