

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
89th General Assembly
Regular Session, 2013

As Engrossed: H4/12/13

A Bill

HOUSE BILL 1482

By: Representatives Ferguson, Wardlaw, Murdock, Westerman, H. Wilkins, Word, Perry, Linck, Love, Richey

By: Senators J. Dismang, Hester

For An Act To Be Entitled

AN ACT TO IMPROVE THE ARKANSAS MEDICAID PROGRAM; TO CREATE THE MEDICAID PRIMARY CARE CASE MANAGEMENT PROGRAM SHARED-SAVINGS PILOT PROGRAM; AND FOR OTHER PURPOSES.

Subtitle

TO CREATE THE MEDICAID PRIMARY CARE CASE MANAGEMENT PROGRAM SHARED-SAVINGS PILOT PROGRAM.

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

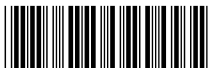
DO NOT CODIFY. Medicaid Primary Care Case Management program.

(a) The General Assembly finds that:

(1) The Arkansas Delta is an area that is medically underserved and has some of the worst health outcomes in our state, with a large number of recipients who are in the top quartile of costs;

(2)(A) There has been much success in other states, particularly in the Louisiana Delta with improvements in health outcomes and saving money through the use of an intensive care-coordination, shared-savings model of care.

(B) This success has come through contracting with private companies that specialize in working with those individuals who meet certain criteria and are at a minimum in the top quartile of costs to the Medicaid program;



(3) Medicaid is one of the largest percentage expenditures of Arkansas tax dollars, and there is a need for reforming approaches to the use of these dollars; and

(4) The approach created in this section to dealing with this population has never been implemented in Arkansas.

(b)(1) The Department of Human Services shall contract with an experienced vendor to implement a two-year Medicaid Primary Care Case Management shared-savings pilot program in the Arkansas Delta region to begin January 1, 2014.

(2) The pilot program shall encompass a minimum of five thousand (5,000) recipients who:

(A) Are not currently in the Arkansas Patient-Centered Medical Home Program, the federal Comprehensive Primary Care Initiative, or a similar homehealth program;

(B)(i) Have catastrophic or chronic conditions as defined by the Johns Hopkins Adjusted Clinical Groups System; or

(ii) Are women with a history of past high-risk pregnancies, poor birth outcomes or preterm deliveries; and

(C) Whose estimated costs are in the top quartile for their defined population.

(c) The vendor shall recruit an adequate number of primary care clinics to initiate the program.

(d) The Medicaid Primary Care Case Management shared savings pilot program shall exclude the Alternatives for Persons with Disabilities, the Division of Developmental Disabilities Services Alternative Community Services, Elder Choices, Living Choices Assisted Living waivers, and members of the Program of All-Inclusive Care for the Elderly.

(e) The Medicaid Primary Care Case Management program shared savings pilot program shall include without limitation the following Arkansas delta counties:

(1) Arkansas;

(2) Ashley;

(3) Baxter;

(4) Bradley;

(5) Calhoun;

(6) Chicot;

- (7) Clay;
- (8) Cleveland;
- (9) Crittenden;
- (10) Cross;
- (11) Dallas;
- (12) Desha;
- (13) Drew;
- (14) Fulton;
- (15) Grant;
- (16) Greene;
- (17) Independence;
- (18) Izard;
- (19) Jackson;
- (20) Jefferson;
- (21) Lawrence;
- (22) Lee;
- (23) Lincoln;
- (24) Lonoke;
- (25) Marion;
- (26) Mississippi;
- (27) Monroe;
- (28) Ouachita;
- (29) Phillips;
- (30) Poinsett;
- (31) Prairie;
- (32) Randolph;
- (33) Searcy;
- (34) Sharp;
- (35) St. Francis;
- (36) Stone;
- (37) Union;
- (38) Van Buren; and
- (39) Woodruff.

(f) The department shall require that a contracting vendor generate savings in comparison to a risk-adjusted Arkansas Fee-For-Service benchmark.

(g) The per-member monthly fee paid to the vendor shall not decrease

the current primary care case management fee paid to the primary care providers.

(h)(1) Savings realized under the Medicaid Primary Care Case Management program shall be shared:

(A) Thirty-four percent (34%) with the department; and

(B)(i) Sixty-six percent (66%) with the Medicaid Primary Care Case Management shared-savings pilot program vendor up to a maximum sharing cap of five percent (5%) of the total cost of administrative and health service expenditures as defined by the Centers for Medicare and Medicaid Service.

(ii) Further, fifty percent (50%) of savings received by the vendor shall be shared with eligible contracted network primary care providers based upon meeting agreed upon performance standards.

(2) Twenty five percent (25%) of the Medicaid Primary Care Case Management shared-savings pilot program vendor's administrative per member per month fee shall be at risk and shall be paid back to the state if savings are not realized.

(i)(1) After the Medicaid Primary Care Case Management shared-savings pilot program has operated for fifteen (15) months, the department shall utilize an agreed upon savings algorithm to calculate savings based on the first twelve (12) months of operations, allowing three (3) months of run-out.

(2)(A) Savings shall be disbursed within thirty (30) calendar days of final calculation.

(B) After the initial year of operation, savings shall be calculated on a quarterly basis.

(j) This section does not conflict with or reduce the Medicaid hospital access payments under section § 20-77-1901 et seq.

(k)(1) This section does not require a physician to participate in the pilot program created under this section.

(2) A physician has the right to refuse to contract under the pilot program created under this section or to terminate the contract at any time without penalty.

(l) If requested, the vendor shall agree to support any contracted physician in meeting the requirements of the Arkansas Patient-Centered Medicaid Home model.

/s/Ferguson