

1 State of Arkansas  
2 89th General Assembly  
3 Fiscal Session, 2014  
4

# A Bill

HOUSE BILL 1127

5 By: Joint Budget Committee  
6

## For An Act To Be Entitled

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES  
9 AND OPERATING EXPENSES FOR THE DEPARTMENT OF HUMAN  
10 SERVICES - DIVISION OF COUNTY OPERATIONS FOR THE  
11 FISCAL YEAR ENDING JUNE 30, 2015; AND FOR OTHER  
12 PURPOSES.  
13  
14

## Subtitle

15 AN ACT FOR THE DEPARTMENT OF HUMAN  
16 SERVICES - DIVISION OF COUNTY OPERATIONS  
17 APPROPRIATION FOR THE 2014-2015 FISCAL  
18 YEAR.  
19  
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21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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24 SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established  
25 for the Department of Human Services - Division of County Operations for the  
26 2014-2015 fiscal year, the following maximum number of regular employees.  
27

| Item No. | Class Code | Title                               | Maximum No. of Employees | Maximum Annual Salary Rate Fiscal Year 2014-2015 |
|----------|------------|-------------------------------------|--------------------------|--|
| 32       | (1) L013N  | GENERAL PHYSICIAN                   | 5                        | GRADE N916                                       |
| 33       | (2) N018N  | DHS DEP DIR COUNTY OPERATIONS       | 1                        | GRADE N910                                       |
| 34       | (3) N102N  | DHS/DCO ASSISTANT DIRECTOR          | 2                        | GRADE N906                                       |
| 35       | (4) N101N  | DHS/DCO ASST DEP DIR PGM & ADMN SPT | 1                        | GRADE N906                                       |
| 36       | (5) N108N  | DHS/DCO ASST DEP DIR                | 2                        | GRADE N905                                       |



|    |      |       |                                      |     |            |
|----|------|-------|--------------------------------------|-----|------------|
| 1  | (6)  | N141N | DHS/DCO AREA DIRECTOR                | 6   | GRADE N902 |
| 2  | (7)  | D007C | INFORMATION SYSTEMS MANAGER          | 1   | GRADE C128 |
| 3  | (8)  | G022C | DHS DIRECTOR OF EMERGENCY OPERATIONS | 1   | GRADE C127 |
| 4  | (9)  | A024C | DHS DIVISION CHIEF FISCAL OFFICER    | 1   | GRADE C125 |
| 5  | (10) | G100C | DHS COUNTY ADMINISTRATOR III         | 9   | GRADE C122 |
| 6  | (11) | G099C | DHS PROGRAM ADMINISTRATOR            | 3   | GRADE C122 |
| 7  | (12) | G111C | DHS COUNTY ADMINISTRATOR II          | 29  | GRADE C121 |
| 8  | (13) | G130C | DHS COUNTY ADMINISTRATOR I           | 39  | GRADE C120 |
| 9  | (14) | G129C | DHS/DCO PROGRAM MANAGER              | 9   | GRADE C120 |
| 10 | (15) | M014C | PROGRAM ELIGIBILITY COORDINATOR III  | 9   | GRADE C120 |
| 11 | (16) | E023C | TRAINING PROJECT MANAGER             | 1   | GRADE C120 |
| 12 | (17) | G152C | DHS PROGRAM MANAGER                  | 9   | GRADE C119 |
| 13 | (18) | G147C | GRANTS COORDINATOR                   | 2   | GRADE C119 |
| 14 | (19) | D061C | INFORMATION SYSTEMS COORD SPECIALIST | 7   | GRADE C119 |
| 15 | (20) | M018C | PROGRAM ELIGIBILITY COORDINATOR II   | 32  | GRADE C119 |
| 16 | (21) | M025C | PROGRAM ELIGIBILITY COORDINATOR I    | 34  | GRADE C118 |
| 17 | (22) | R027C | BUDGET SPECIALIST                    | 5   | GRADE C117 |
| 18 | (23) | G183C | DHS PROGRAM COORDINATOR              | 3   | GRADE C117 |
| 19 | (24) | M042C | DHS STAFF SUPERVISOR                 | 4   | GRADE C117 |
| 20 | (25) | G180C | GRANTS ANALYST                       | 8   | GRADE C117 |
| 21 | (26) | G178C | POLICY DEVELOPMENT COORDINATOR       | 6   | GRADE C117 |
| 22 | (27) | M038C | PROGRAM ELIGIBILITY ANALYST          | 12  | GRADE C117 |
| 23 | (28) | M037C | PROGRAM ELIGIBILITY SUPERVISOR       | 101 | GRADE C117 |
| 24 | (29) | X095C | QUALITY ASSURANCE ANALYST            | 6   | GRADE C117 |
| 25 | (30) | E040C | STAFF DEVELOPMENT COORDINATOR        | 4   | GRADE C117 |
| 26 | (31) | A088C | ASSETS COORDINATOR                   | 1   | GRADE C116 |
| 27 | (32) | E046C | TRAINING INSTRUCTOR                  | 13  | GRADE C116 |
| 28 | (33) | C037C | ADMINISTRATIVE ANALYST               | 4   | GRADE C115 |
| 29 | (34) | V016C | COMMODITY SPECIALIST                 | 3   | GRADE C115 |
| 30 | (35) | D079C | COMPUTER SUPPORT TECHNICIAN          | 9   | GRADE C115 |
| 31 | (36) | G210C | DHS PROGRAM SPECIALIST               | 9   | GRADE C115 |
| 32 | (37) | X136C | QUALITY ASSURANCE REVIEWER           | 32  | GRADE C115 |
| 33 | (38) | D086C | CALL CENTER ANALYST                  | 9   | GRADE C114 |
| 34 | (39) | M066C | PROGRAM ELIGIBILITY SPECIALIST       | 896 | GRADE C114 |
| 35 | (40) | X154C | PUBLIC ASSISTANCE INVESTIGATOR       | 20  | GRADE C114 |
| 36 | (41) | C056C | ADMINISTRATIVE SPECIALIST III        | 8   | GRADE C112 |

|   |      |       |                                   |          |            |
|---|------|-------|-----------------------------------|----------|------------|
| 1 | (42) | A098C | FISCAL SUPPORT SPECIALIST         | 1        | GRADE C112 |
| 2 | (43) | C054C | LOCAL OFFICE ADMIN SPECIALIST     | 34       | GRADE C112 |
| 3 | (44) | V021C | SURPLUS PROPERTY AGENT            | 1        | GRADE C112 |
| 4 | (45) | D092C | CALL CENTER SPECIALIST            | 5        | GRADE C110 |
| 5 | (46) | C062C | LOCAL OFFICE ADMIN ASSISTANT      | 459      | GRADE C110 |
| 6 | (47) | C073C | ADMINISTRATIVE SPECIALIST II      | 14       | GRADE C109 |
| 7 | (48) | C072C | ADMINISTRATIVE SUPPORT SPECIALIST | 1        | GRADE C109 |
| 8 | (49) | C087C | ADMINISTRATIVE SPECIALIST I       | <u>5</u> | GRADE C106 |
| 9 |      |       | MAX. NO. OF EMPLOYEES             | 1,876    |            |

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11 SECTION 2. EXTRA HELP - OPERATIONS. There is hereby authorized, for  
 12 the Department of Human Services - Division of County Operations for the  
 13 2014-2015 fiscal year, the following maximum number of part-time or temporary  
 14 employees, to be known as "Extra Help", payable from funds appropriated  
 15 herein for such purposes: thirty-seven (37) temporary or part-time  
 16 employees, when needed, at rates of pay not to exceed those provided in the  
 17 Uniform Classification and Compensation Act, or its successor, or this act  
 18 for the appropriate classification.

19

20 SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated,  
 21 to the Department of Human Services - Division of County Operations, to be  
 22 payable from the paying account as determined by the Chief Fiscal Officer of  
 23 the State, for personal services and operating expenses of the Department of  
 24 Human Services - Division of County Operations - Operations for the fiscal  
 25 year ending June 30, 2015, the following:

26

| 27 | ITEM                            | FISCAL YEAR      |
|----|---------------------------------|------------------|
| 28 | <u>NO.</u>                      | <u>2014-2015</u> |
| 29 | (01) REGULAR SALARIES           | \$63,108,743     |
| 30 | (02) EXTRA HELP                 | 390,052          |
| 31 | (03) PERSONAL SERVICES MATCHING | 23,924,815       |
| 32 | (04) OVERTIME                   | 25,000           |
| 33 | (05) MAINT. & GEN. OPERATION    |                  |
| 34 | (A) OPER. EXPENSE               | 23,402,003       |
| 35 | (B) CONF. & TRAVEL              | 172,081          |
| 36 | (C) PROF. FEES                  | 6,138,465        |

|   |                               |                             |
|---|-------------------------------|-----------------------------|
| 1 | (D) CAP. OUTLAY               | 2,400                       |
| 2 | (E) DATA PROC.                | 0                           |
| 3 | (06) DATA PROCESSING SERVICES | <u>8,069,883</u>            |
| 4 | TOTAL AMOUNT APPROPRIATED     | <u><u>\$125,233,442</u></u> |

5

6 SECTION 4. APPROPRIATION - COMMODITY DISTRIBUTION AND SALVAGE CONTAINER

7 - CASH. There is hereby appropriated, to the Department of Human Services -

8 Division of County Operations, to be payable from the cash fund deposited in

9 the State Treasury as determined by the Chief Fiscal Officer of the State,

10 for operating expenses of the Department of Human Services - Division of

11 County Operations - Commodity Distribution and Salvage Container - Cash for

12 the fiscal year ending June 30, 2015, the following:

| 14 | ITEM                         | FISCAL YEAR             |
|----|------------------------------|-------------------------|
| 15 | <u>NO.</u>                   | <u>2014-2015</u>        |
| 16 | (01) MAINT. & GEN. OPERATION |                         |
| 17 | (A) OPER. EXPENSE            | \$165,510               |
| 18 | (B) CONF. & TRAVEL           | 9,490                   |
| 19 | (C) PROF. FEES               | 0                       |
| 20 | (D) CAP. OUTLAY              | 0                       |
| 21 | (E) DATA PROC.               | <u>0</u>                |
| 22 | TOTAL AMOUNT APPROPRIATED    | <u><u>\$175,000</u></u> |

23

24 SECTION 5. APPROPRIATION - GRANTS - FEDERAL. There is hereby

25 appropriated, to the Department of Human Services - Division of County

26 Operations, to be payable from the federal funds as designated by the Chief

27 Fiscal Officer of the State, for federally funded grants of the Department of

28 Human Services - Division of County Operations - Grants - Federal for the

29 fiscal year ending June 30, 2015, the following:

| 31 | ITEM                                      | FISCAL YEAR      |
|----|---|------------------|
| 32 | <u>NO.</u>                                | <u>2014-2015</u> |
| 33 | (01) SHELTER PLUS CARE PROGRAM            | \$1,908,598      |
| 34 | (02) EMERGENCY FOOD PROGRAM               | 819,219          |
| 35 | (03) LOW INCOME ENERGY ASSISTANCE PROGRAM | 29,480,110       |
| 36 | (04) REFUGEE RESETTLEMENT PROGRAM         | 12,000           |

|   |                                |                            |
|---|--------------------------------|----------------------------|
| 1 | (05) HOMELESS ASSISTANCE GRANT | <u>2,846,487</u>           |
| 2 | TOTAL AMOUNT APPROPRIATED      | <u><u>\$35,066,414</u></u> |

3

4 SECTION 6. APPROPRIATION - GRANTS - STATE. There is hereby  
 5 appropriated, to the Department of Human Services - Division of County  
 6 Operations, to be payable from the Department of Human Services Grants Fund  
 7 Account, for grant payments of the Department of Human Services - Division of  
 8 County Operations - Grants - State for the fiscal year ending June 30, 2015,  
 9 the following:

10

| 11 | ITEM                              | FISCAL YEAR           |
|----|-----------------------------------|-----------------------|
| 12 | <u>NO.</u>                        | <u>2014-2015</u>      |
| 13 | (01) AID TO AGED, BLIND, DISABLED | <u><u>\$4,000</u></u> |

14

15 SECTION 7. APPROPRIATION - GRANTS. There is hereby appropriated, to  
 16 the Department of Human Services - Division of County Operations, to be  
 17 payable from the paying account as determined by the Chief Fiscal Officer of  
 18 the State, for grant payments of the Department of Human Services - Division  
 19 of County Operations - Grants for the fiscal year ending June 30, 2015, the  
 20 following:

21

| 22 | ITEM                                   | FISCAL YEAR                |
|----|--|----------------------------|
| 23 | <u>NO.</u>                             | <u>2014-2015</u>           |
| 24 | (01) TANF BLOCK GRANT                  | \$21,818,070               |
| 25 | (02) COMMUNITY SERVICE BLOCK GRANT     | 9,137,390                  |
| 26 | (03) SUPPLEMENTAL NUTRITION ASSISTANCE |                            |
| 27 | PROGRAM (SNAP)                         | <u>343,235</u>             |
| 28 | TOTAL AMOUNT APPROPRIATED              | <u><u>\$31,298,695</u></u> |

29

30 SECTION 8. APPROPRIATION - HUNGER COALITION. There is hereby  
 31 appropriated, to the Department of Human Services - Division of County  
 32 Operations, to be payable from the County Operations Fund Account, for grants  
 33 payments of the Department of Human Services - Division of County Operations  
 34 - Hunger Coalition for the fiscal year ending June 30, 2015, the following:

35

| 36 | ITEM | FISCAL YEAR |
|----|------|-------------|
|----|------|-------------|

| 1 | NO.                                  | 2014-2015        |
|---|--------------------------------------|------------------|
| 2 | (01) HUNGER COALITION GRANTS AND AID | <u>\$995,113</u> |

3

4 SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
 5 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. INTER-  
 6 AGENCY TRANSFER OF STATE GENERAL REVENUE FOR TEMPORARY ASSISTANCE FOR NEEDY  
 7 FAMILIES (TANF) PROGRAMS. Upon the request of the Director of the Department  
 8 of Human Services and the Director of the Department of Workforce Services  
 9 (DWS), the Chief Fiscal Officer of the State may approve up to \$3,640,650 in  
 10 State General Revenue appropriated to DWS for the TANF Program to be  
 11 transferred to the Department of Human Services - Division of County  
 12 Operations in support of Arkansas' Temporary Assistance for Needy Families  
 13 (TANF) Programs or any related Separate State Programs. The Director of the  
 14 Department of Workforce Services shall provide a report of all transfers made  
 15 to the DHS - Division of County Operations to the Performance Evaluation and  
 16 Expenditure Review Committee of the Arkansas Legislative Council and/or Joint  
 17 Budget Committee. The report must include the justification for and the  
 18 amount of the completed transfers.

19 The provisions of this section shall be in effect only from July 1, ~~2013~~  
 20 2014 through June 30, ~~2014~~ 2015.

21

22 SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
 23 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. DIVISION  
 24 OF COUNTY OPERATIONS - STATE AND FEDERAL DISASTER DECLARATIONS. It will be  
 25 permissible for the Division of County Operations to implement the following  
 26 exemptions in the event that a State or Federal Disaster is declared: (1)  
 27 Exceed the 240 hour per quarter limit on the purchase of temporary help; and,  
 28 (2) Waive the 1,000 hour limit per State Fiscal Year for Extra Help  
 29 positions.

30 The provisions of this section shall be in effect only from July 1, ~~2013~~  
 31 2014 through June 30, ~~2014~~ 2015.

32

33 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
 34 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAID  
 35 PRIMARY CARE CASE MANAGEMENT PROGRAM.

36 (a) The General Assembly finds that:

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

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

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

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

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

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

21           (B) The department shall give preference to a vendor that:

22                   (i) Demonstrates experience with the type of model  
23 established under this section in the type of geographic area specified in  
24 subsection (e) of this section;

25                   (ii) Has demonstrated customer satisfaction as  
26 documented through independent Consumer Assessment of Healthcare Providers  
27 and Systems survey; and

28                   (iii) Maintains a Utilization Review Accreditation  
29 Commission accreditation for its Health Utilization Management and Case  
30 Management programs.

31           (2) The pilot program shall encompass a minimum of five thousand  
32 (5,000) recipients who:

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

36                   (B)(i) Have catastrophic or chronic conditions as defined

1 by the Johns Hopkins Adjusted Clinical Groups System; or

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

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

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

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

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

- 16 (1) Arkansas;
- 17 (2) Ashley;
- 18 (3) Baxter;
- 19 (4) Bradley;
- 20 (5) Calhoun;
- 21 (6) Chicot;
- 22 (7) Clay;
- 23 (8) Cleveland;
- 24 (9) Crittenden;
- 25 (10) Cross;
- 26 (11) Dallas;
- 27 (12) Desha;
- 28 (13) Drew;
- 29 (14) Fulton;
- 30 (15) Grant;
- 31 (16) Greene;
- 32 (17) Independence;
- 33 (18) Izaard;
- 34 (19) Jackson;
- 35 (20) Jefferson;
- 36 (21) Lawrence;



- 1 (22) Lee;
- 2 (23) Lincoln;
- 3 (24) Lonoke;
- 4 (25) Marion;
- 5 (26) Mississippi;
- 6 (27) Monroe;
- 7 (28) Ouachita;
- 8 (29) Phillips;
- 9 (30) Poinsett;
- 10 (31) Prairie;
- 11 (32) Randolph;
- 12 (33) Searcy;
- 13 (34) Sharp;
- 14 (35) St. Francis;
- 15 (36) Stone;
- 16 (37) Union;
- 17 (38) Van Buren; and
- 18 (39) Woodruff.

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

21 (g) The per-member monthly fee paid to the vendor shall not decrease  
 22 the current primary care case management fee paid to the primary care  
 23 providers.

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

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

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

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

35 (2) Twenty five percent (25%) of the Medicaid Primary Care Case  
 36 Management shared-savings pilot program vendor's administrative per member

1 per month fee shall be at risk and shall be paid back to the state if savings  
2 are not realized.

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

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

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

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

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

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

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

21 The provisions of this section shall be in effect only from July 1, ~~2013~~  
22 2014 through June 30, ~~2014~~ 2015.

23  
24 SECTION 12. COMPLIANCE WITH OTHER LAWS. Disbursement of funds  
25 authorized by this act shall be limited to the appropriation for such agency  
26 and funds made available by law for the support of such appropriations; and  
27 the restrictions of the State Procurement Law, the General Accounting and  
28 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
29 Procedures and Restrictions Act, or their successors, and other fiscal  
30 control laws of this State, where applicable, and regulations promulgated by  
31 the Department of Finance and Administration, as authorized by law, shall be  
32 strictly complied with in disbursement of said funds.

33  
34 SECTION 13. LEGISLATIVE INTENT. It is the intent of the General  
35 Assembly that any funds disbursed under the authority of the appropriations  
36 contained in this act shall be in compliance with the stated reasons for

1 which this act was adopted, as evidenced by the Agency Requests, Executive  
 2 Recommendations and Legislative Recommendations contained in the budget  
 3 manuals prepared by the Department of Finance and Administration, letters, or  
 4 summarized oral testimony in the official minutes of the Arkansas Legislative  
 5 Council or Joint Budget Committee which relate to its passage and adoption.

6  
 7 SECTION 14. EMERGENCY CLAUSE. It is found and determined by the  
 8 General Assembly, that the Constitution of the State of Arkansas prohibits  
 9 the appropriation of funds for more than a one (1) year period; that the  
 10 effectiveness of this Act on July 1, 2014 is essential to the operation of  
 11 the agency for which the appropriations in this Act are provided, and that in  
 12 the event of an extension of the legislative session, the delay in the  
 13 effective date of this Act beyond July 1, 2014 could work irreparable harm  
 14 upon the proper administration and provision of essential governmental  
 15 programs. Therefore, an emergency is hereby declared to exist and this Act  
 16 being necessary for the immediate preservation of the public peace, health  
 17 and safety shall be in full force and effect from and after July 1, 2014.

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 20 **APPROVED: 03/11/2014**  
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