

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

As Engrossed: H4/12/13

A Bill

HOUSE BILL 1482

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

7 By: Senators J. Dismang, Hester
8

For An Act To Be Entitled

9
10 AN ACT TO IMPROVE THE ARKANSAS MEDICAID PROGRAM; TO
11 CREATE THE MEDICAID PRIMARY CARE CASE MANAGEMENT
12 PROGRAM SHARED-SAVINGS PILOT PROGRAM; AND FOR OTHER
13 PURPOSES.
14

Subtitle

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17 TO CREATE THE MEDICAID PRIMARY CARE CASE
18 MANAGEMENT PROGRAM SHARED-SAVINGS PILOT
19 PROGRAM.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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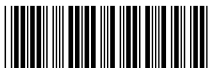
24 DO NOT CODIFY. Medicaid Primary Care Case Management program.

25 (a) The General Assembly finds that:

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

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

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



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

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

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

10 (2) The pilot program shall encompass a minimum of five thousand
11 (5,000) recipients who:

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

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

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

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

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

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

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

31 (1) Arkansas;

32 (2) Ashley;

33 (3) Baxter;

34 (4) Bradley;

35 (5) Calhoun;

36 (6) Chicot;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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/s/Ferguson

APPROVED: 04/22/2013