



Office of Director

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July 30, 2018

Governor Asa Hutchinson
250 State Capitol
Little Rock, AR 72201

Dear Governor Hutchinson:

I am pleased to submit to you the Department of Human Services' (DHS) Medicaid Transformation Savings Scorecard and Quarterly Report, which covers the fourth quarter (Q4) of State Fiscal Year 2018. This Scorecard shows that SFY 2018 was indeed an historic year as total spending for all of Medicaid, including both traditional programs and Arkansas Works, is \$22 million *lower* in SFY 2018 than in SFY 2017. Holding year-over-year spending in the Medicaid program to *zero* growth is unprecedented in Arkansas.

The reasons for the decrease in overall spending are 1.) declining enrollment in the Arkansas Works program, 2.) a reduction in overall spending of \$31 million in traditional Medicaid programs likely due to declining enrollment, and 3.) ongoing transformation efforts.

In the attached scorecard you will see that Q4 was a time of meeting major milestones for Medicaid transformation. DHS and Behavioral Health providers successfully made the switch from the 30-year-old Residential Services for Persons with Mental Illness (RSPMI) program to the Outpatient Behavioral Health (OBH) program. More than 25,000 individuals received an Independent Assessment (IA) during Q4 alone. The behavioral health provider community and our IA vendor, Optum, deserve great credit for meeting our target on the number of assessments by June 30, 2018. DHS is ahead of the Health Care Task Force (HCTF) schedule for implementing the IA system for individuals with developmental disabilities.

We are also ahead of schedule for implementing a provider-led organized model of care. The HCTF did not project savings for the provider-led model until SFY 2021. Over 33,000 individuals have been attributed among the four Provider-led Arkansas Shared Savings Entity (PASSE) organizations. The PASSEs will accept full risk capitation payments beginning January 1, 2019.

The HCTF projected two year savings of \$230 million due to the Medicaid transformation initiatives. Net savings attributed to transformation are \$288 million. The other \$341 million in savings off the HCTF trend rate is likely attributed to the decline in enrollment, which reflects the improved economy and program integrity measures that have been implemented.

We have made great progress towards your goal of \$835 million in savings over the period SFY 2017-2021. The HCTF savings target for Medicaid Transformation is \$173 million in SFY 2019. While financial challenges remain, through your leadership, and with the ongoing support of the General Assembly, Medicaid is becoming more financially sustainable while ensuring services for those most in need remain intact.

Sincerely,

Cindy Gillespie
Director

Medicaid Transformation Savings Scorecard and Quarterly Report

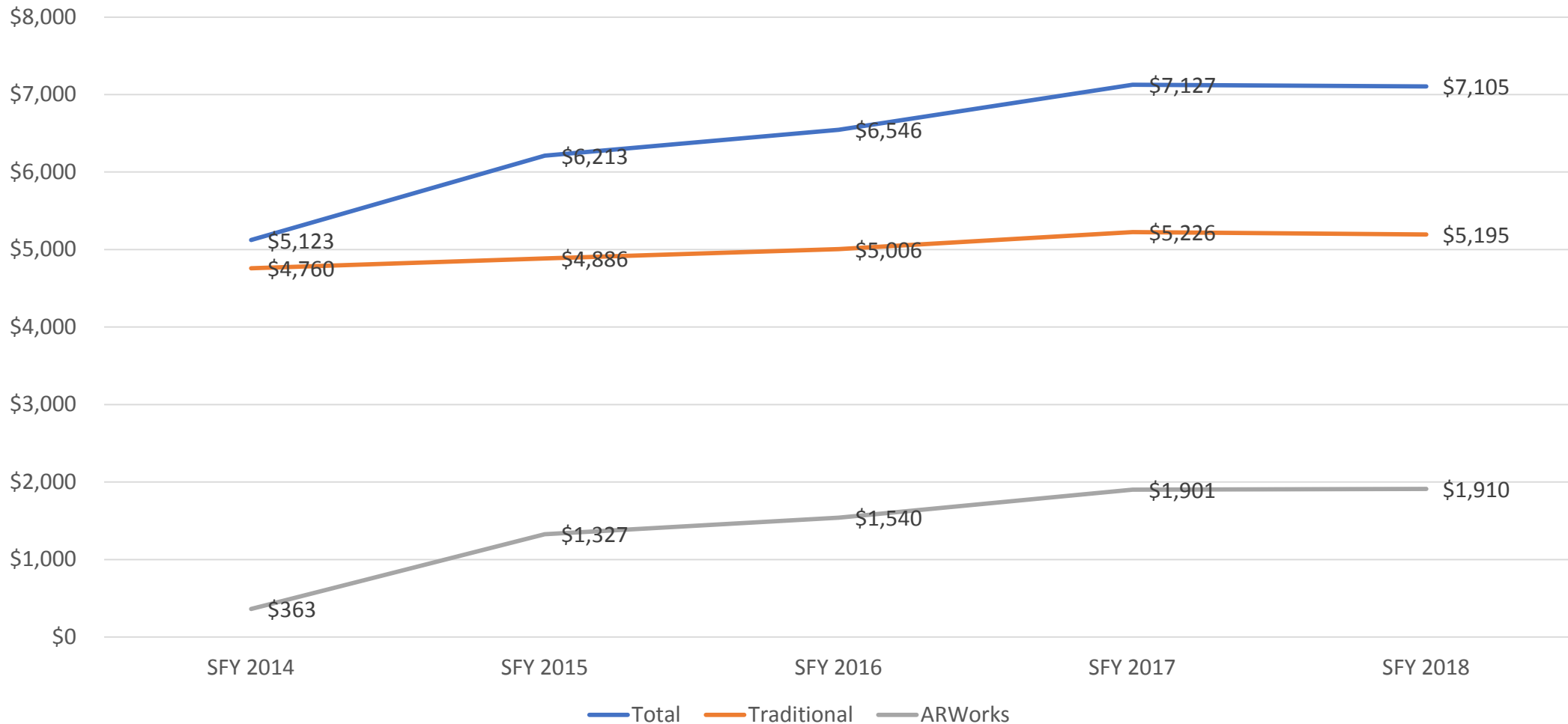
Q4 SFY2018 Report

A Three Section Report to Track Medicaid and Savings

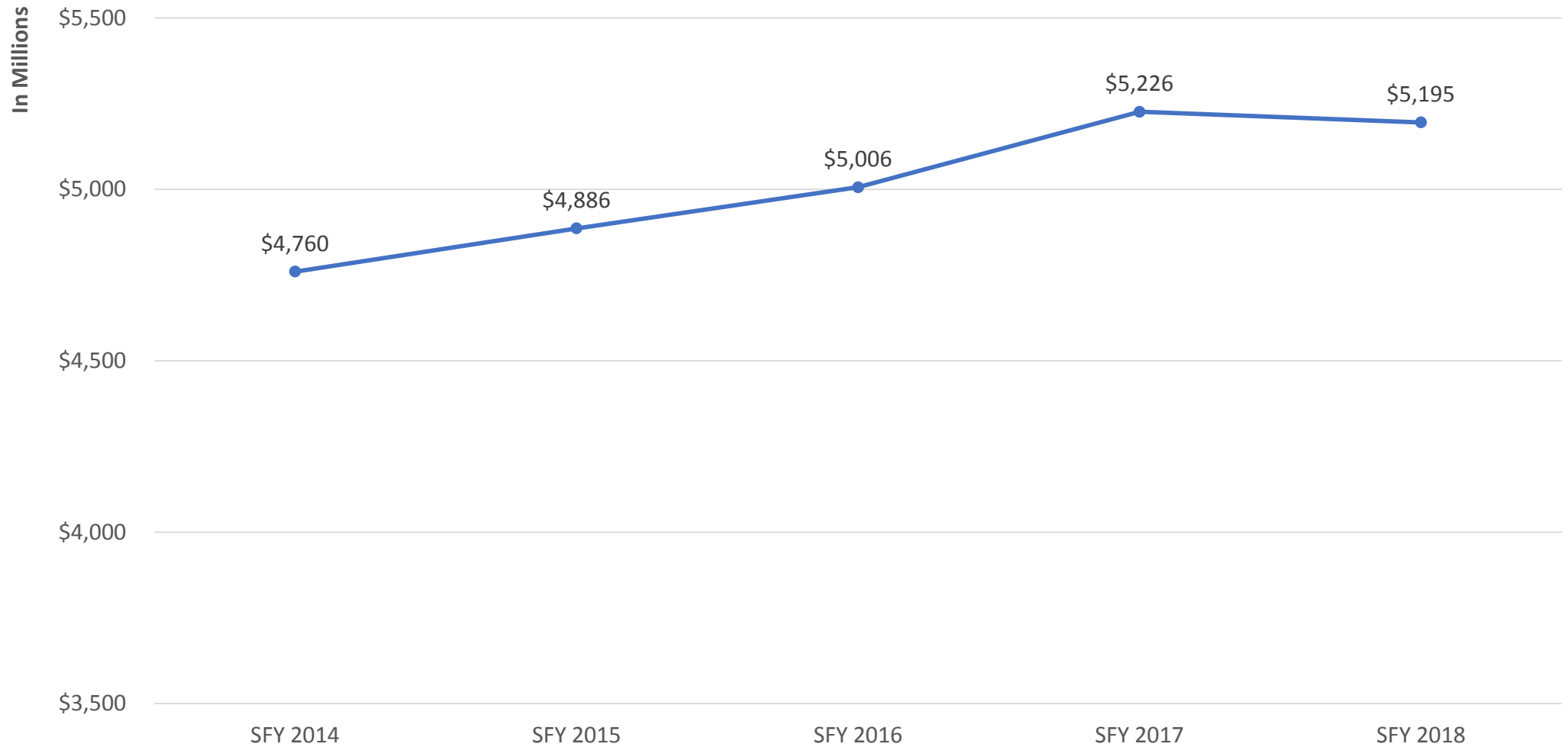
- DHS is obligated to provide a quarterly report beginning with the first quarter of SFY18 that:
 - Includes a dashboard or scorecard to track savings from reforms approved by the Health Care Task Force (HCTF). The reforms target “at least \$835 million” in savings from traditional Medicaid.
 - Reports 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.”
- DHS will submit these quarterly reports to BLR on or before the thirtieth day following the end of a quarter.

SECTION I: MEDICAID TRANSFORMATION SAVINGS SCORECARD

State Fiscal Year Spend – SFY 2014 through SFY 2018



Traditional Medicaid Spending with CHIP



HCTF Baseline Spending Models

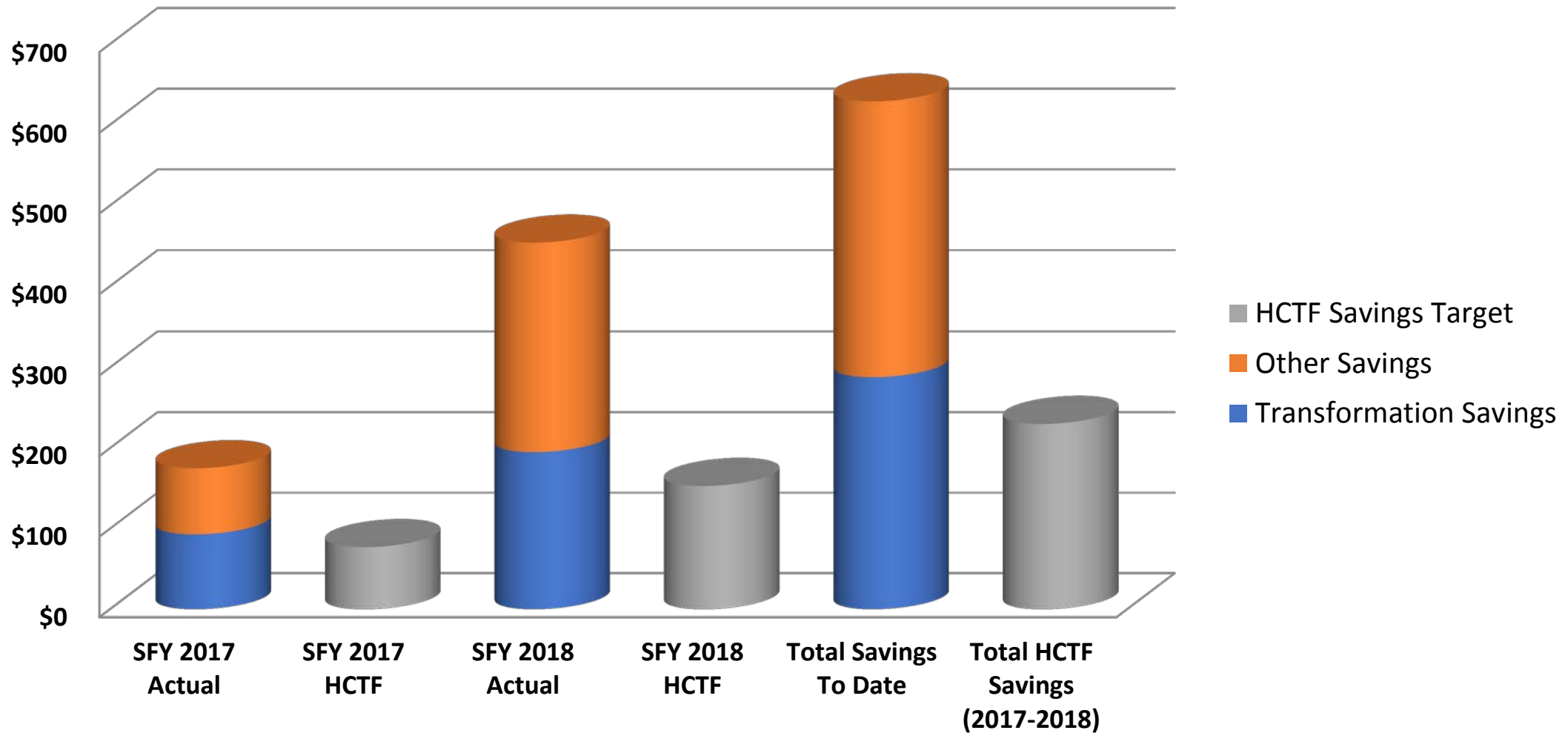
| Spending by Year & Program Dollars in Millions (\$M) | SFY17 | SFY18 | SFY19 | SFY20 | SFY21 | SFY17-21 |
|---|---------|---------|---------|---------|---------|----------|
| *HCTF Baseline, Traditional Medicaid | \$5,379 | \$5,648 | \$5,930 | \$6,227 | \$6,538 | \$29,722 |
| ‡HCTF “Current Model” Spending Traditional Medicaid only | \$5,302 | \$5,495 | \$5,757 | \$6,026 | \$6,322 | \$28,902 |
| ‡HCTF “Current Model” Net Fiscal Impact of Reforms | (\$77) | (\$153) | (\$173) | (\$201) | (\$216) | (\$820) |
| ‡HCTF “Current Model” with Provider-led | \$5,302 | \$5,495 | \$5,757 | \$6,026 | \$6,227 | \$28,806 |
| **HCTF Net Fiscal Impact of “Current Model” with Provider-led | (\$77) | (\$153) | (\$173) | (\$201) | (\$311) | (\$916) |

* HCTF assumed 5% annual growth in spending

‡ HCTF “Current Model” reflects revised annual spending based on achieving annual savings targets

** HCTF assumed Provider-Led would not show savings until SFY21

Actual Savings vs HCTF Savings Targets (\$M) Per SFY



Traditional Medicaid Scorecard by Quarter (SFY 2018)

Savings By Quarter (\$M)

| Division/ Reform | Projected SFY17 Savings | Actual SFY 17 Savings | HCTF Projected SFY 18 Savings | SFY 18 Q1 | SFY 18 Q2 | SFY 18 Q3 | SFY 18 Q4 | Actual SFY 18 Savings | Actual SFY 18 Compared To HCTF Projected | Total Savings (SFY 17-18) |
|--|-------------------------------|-----------------------------|--|--------------|--------------|--------------|---------------|-----------------------------|---|---------------------------------|
| HCTF Projected Net Savings | \$77 | - | \$153 | \$35 | \$38 | \$39 | \$41 | - | - | \$230 |
| DD | \$0 | \$16 | \$32 | \$7 | \$24 | \$15 | \$14 | \$60 | \$28 over | \$76 |
| BH | \$12 | \$25 | \$31 | \$4 | \$14 | \$9 | \$7 | \$34 | \$3 over | \$59 |
| LTSS MOU | \$15 | \$2 | \$50 | \$10 | \$35 | \$21 | \$17 | \$83 | \$33 over | \$85 |
| Pharmacy | \$50 | \$50* | \$50 | \$4 | \$13 | \$9 | \$6 | \$32 | \$18 under | \$82 |
| Dental | \$0 | \$0 | \$6 | \$0 | \$0 | \$4 | \$3 | \$7 | \$1 over | \$7 |
| Total Transformation | \$77 | \$93 | \$169 | \$25 | \$85 | \$57 | \$47 | \$214 | \$45 over | \$307 |
| <i>Independent Assessment (IA) & Care Coordination Costs</i> | <i>\$0</i> | <i>\$0</i> | <i>(\$16)</i> | <i>\$0</i> | <i>\$0</i> | <i>(\$2)</i> | <i>(\$17)</i> | <i>(\$19)</i> | <i>-</i> | <i>(\$19)</i> |
| Net Transformation Savings | \$77 | \$93 | \$153 | \$25 | \$85 | \$55 | \$30 | \$195 | \$42 over | \$288 |
| Non-Transformation | \$0 | \$82 | - | \$28 | \$92 | \$69 | \$70 | \$259 | - | \$341 |
| Total Savings | \$77 | \$175 | \$153 | \$53 | \$177 | \$124 | \$100 | \$454 | - | \$629 |

Note(s): (1) Due to rounding, numbers presented in this chart may not add up precisely to totals provided in other pages

(2) Savings will occur at various times due to divisions implementing new codes on different schedules

* Pharmacy achieved \$50 million in savings from Fee-for-service; half was credited to Arkansas Works non-QHP beneficiaries in FFS; half to traditional Medicaid Beneficiaries

HCTF Baseline for Net Savings in Targeted Areas

| "Current Model" Savings and Costs by Year & Program Dollars in Millions (\$M) | SFY17 | SFY18 | SFY19 | SFY20 | SFY21 | SFY17-21 |
|--|-------------|--------------|--------------|--------------|--------------|--------------|
| DD Savings – Therapy Caps | \$0 | \$18 | \$18 | \$18 | \$18 | \$72 |
| DD Savings – Changes to CHMS and DDTCS | \$0 | \$14 | \$14 | \$14 | \$14 | \$56 |
| DD Savings – Independent Assessment & Tiers/Waiver Changes | \$0 | \$0 | \$0 | \$17 | \$17 | \$34 |
| DD Cost – Independent Assessment | \$0 | \$0 | (\$2) | (\$2) | (\$2) | (\$6) |
| Net DD Savings | \$0 | \$32 | \$30 | \$47 | \$47 | \$156 |
| BH Savings – Updated Outpatient Benefits Policy | \$12 | \$16 | \$33 | \$33 | \$33 | \$127 |
| BH Savings – Inpatient | \$0 | \$15 | \$25 | \$35 | \$50 | \$125 |
| BH Cost – Independent Assessment | \$0 | (\$1) | (\$2) | (\$2) | (\$2) | (\$7) |
| BH Cost – Care Coordination | \$0 | (\$15) | (\$21) | (\$21) | (\$21) | (\$78) |
| Net BH Savings | \$12 | \$15 | \$35 | \$45 | \$60 | \$167 |
| LTSS MOU (Note: TSG did not model; these numbers were arbitrary) | \$15 | \$50 | \$50 | \$50 | \$50 | \$215 |
| Pharmacy (These savings were for all FFS, not just Traditional) | \$50 | \$50 | \$50 | \$50 | \$50 | \$250 |
| Dental Savings – Capitated Managed Care | \$0 | \$3 | \$5 | \$5 | \$5 | \$18 |
| Dental Premium Tax | \$0 | \$3 | \$3 | \$4 | \$4 | \$14 |
| Net Dental All-Funds Impact | \$0 | \$6 | \$8 | \$9 | \$9 | \$32 |
| Net Fiscal Impacts | \$77 | \$153 | \$173 | \$201 | \$216 | \$820 |

Total Traditional Medicaid Spend by Quarter (SFY 2017-2018)

| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|--|------------------------|------------------------|------------------------|------------------------|--|------------------------|---------------------------|
| Total Hospital/Medical Expenditures | \$1,013,384,069 | \$918,961,780 | \$901,981,077 | \$1,023,582,576 | \$1,129,016,148 | \$1,052,345,571 | (\$76,670,577) |
| Total Prescription Drugs Expenditures* | \$105,381,709 | \$102,486,370 | \$107,193,167 | \$99,689,725 | \$115,006,779 | \$107,292,180 | (\$7,714,599) |
| Total Long Term Care Expenditures | \$227,777,445 | \$226,564,860 | \$224,295,587 | \$208,684,919 | \$238,012,273 | \$222,140,376 | (\$15,871,898) |
| Total Traditional Medicaid | \$1,346,543,223 | \$1,248,013,010 | \$1,233,469,832 | \$1,331,957,220 | \$1,482,035,200 | \$1,381,778,127 | (\$100,257,073) |

* Includes Contracts and Part D claw backs which are not part of transformation

Medicaid Transformation Spend by Quarter (SFY 2017-18)

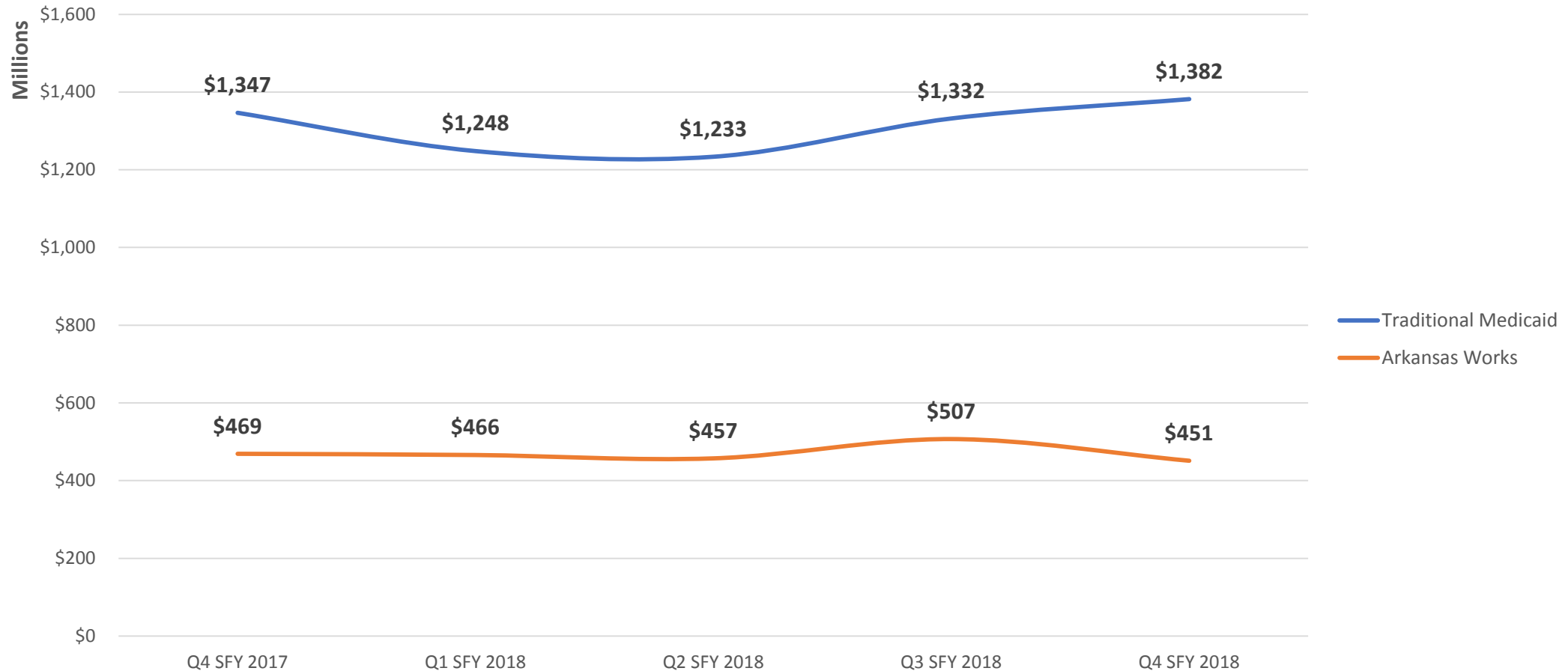
| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|--|-----------------------|-----------------------|-----------------------|-----------------------|---|-----------------------|---------------------------|
| Developmental Disability (DD) – Therapy Caps | \$46,121,316 | \$36,774,468 | \$40,036,373 | \$39,955,626 | \$50,609,730 | \$47,120,596 | (\$3,489,134) |
| Developmental Disability (DD) – CHMS/DDTCS | \$81,481,836 | \$52,746,826 | \$55,399,400 | \$51,339,558 | \$78,984,620 | \$73,428,599 | (\$5,556,021) |
| Developmental Disability (DD) – Waiver | \$56,858,519 | \$57,781,900 | \$59,333,068 | \$58,550,069 | \$65,693,414 | \$61,281,619 | (\$4,411,795) |
| Developmental Disability (DD) – ICF | \$21,650,545 | \$12,994,028 | \$12,603,098 | \$12,662,889 | \$13,608,101 | \$12,703,324 | (\$904,777) |
| Total Developmental Disability (DD) | \$206,112,217 | \$160,297,222 | \$167,371,939 | \$162,508,143 | \$208,895,866 | \$194,534,138 | (\$14,361,728) |
| Behavioral Health (BH) – Inpatient | \$33,605,963 | \$30,470,002 | \$29,526,576 | \$29,997,670 | \$33,929,524 | \$31,647,338 | (\$2,282,186) |
| Behavioral Health (BH) – Outpatient | \$73,284,001 | \$67,237,368 | \$65,997,900 | \$63,004,364 | \$74,635,645 | \$69,607,078 | (\$5,028,567) |
| Total Behavioral Health (BH) | \$106,889,964 | \$97,707,370 | \$95,524,476 | \$93,002,034 | \$108,565,169 | \$101,254,417 | (\$7,310,752) |
| LTSS MOU – Independent Choices | \$13,679,543 | \$13,967,742 | \$15,226,777 | \$14,003,320 | \$12,480,576 | \$11,690,211 | (\$790,365) |
| LTSS MOU – Personal Care | \$23,558,229 | \$23,267,575 | \$22,677,193 | \$21,602,568 | \$27,461,722 | \$25,588,832 | (\$1,872,890) |
| LTSS MOU – ARChoices & Other Waivers | \$32,436,127 | \$33,795,006 | \$33,974,829 | \$32,627,081 | \$36,450,874 | \$34,017,169 | (\$2,433,705) |
| LTSS MOU – Private Long Term Care / SNF | \$164,898,612 | \$170,272,986 | \$170,033,016 | \$154,912,104 | \$181,313,786 | \$169,187,749 | (\$12,126,037) |
| Total LTSS MOU | \$234,572,511 | \$241,303,309 | \$241,911,815 | \$223,145,073 | \$257,706,958 | \$240,483,961 | (\$17,222,997) |
| Total Pharmacy | \$90,843,358 | \$87,896,942 | \$92,982,688 | \$98,602,418 | \$95,933,877 | \$89,602,885 | (\$6,330,992) |
| Dental – Managed Care | \$0 | \$0 | \$0 | \$33,891,412 | \$37,134,548 | \$34,322,478 | (\$2,812,070) |
| Dental – Fee for Service | \$32,146,006 | \$32,247,834 | \$32,568,691 | \$5,287,235 | \$1,038,489 | \$1,296,301 | \$257,812 |
| Total Dental | \$32,146,006 | \$32,247,834 | \$32,568,691 | \$39,178,647 | \$38,173,038 | \$35,618,779 | (\$2,554,259) |
| Grand Total | \$670,564,056 | \$619,452,677 | \$630,359,609 | \$616,436,315 | \$709,274,908 | \$661,494,180 | (\$47,780,728) |

Note(s): Further details of each section can be found in Section II; ICF Excludes HDC providers

Source(s): Quarter 4 SFY 2018 Financials (5 Quarters)_20180716

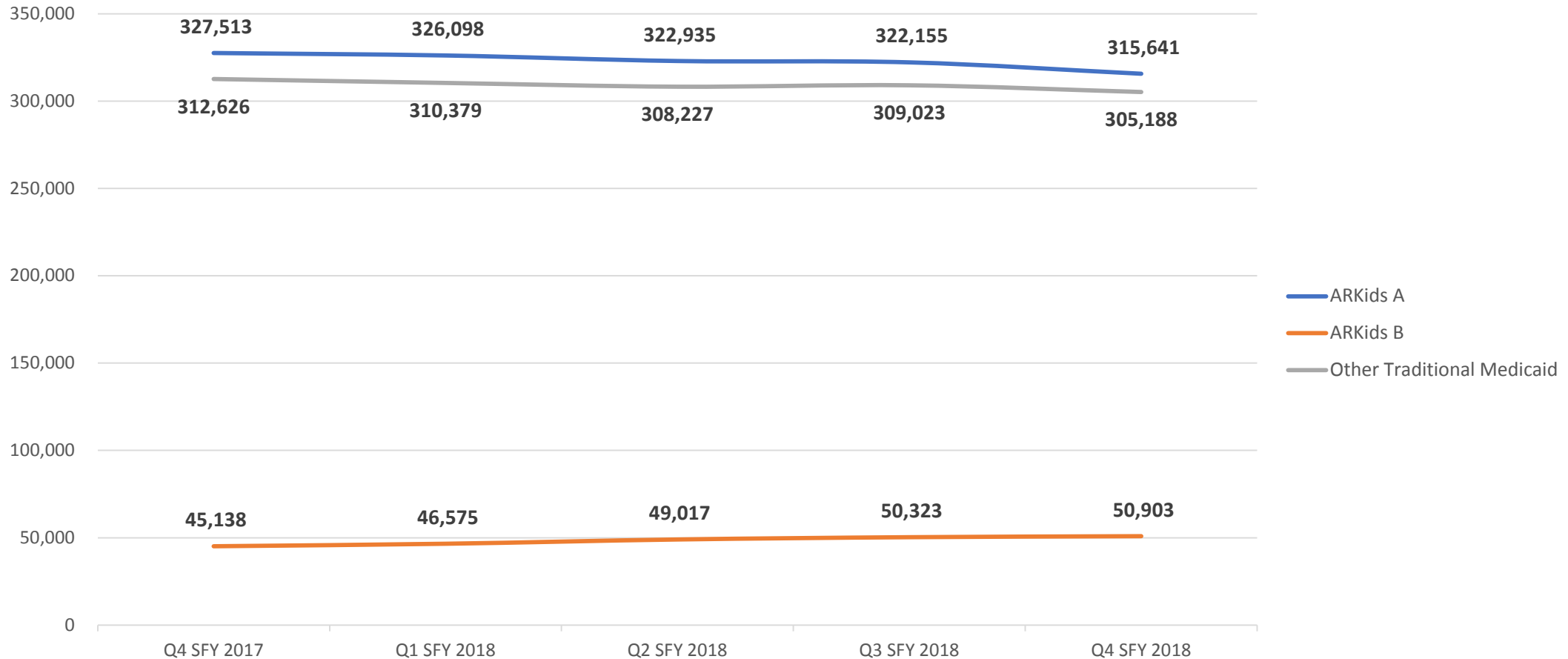
SECTION II: ALL ARKANSAS MEDICAID ENROLLMENT AND SPENDING REPORT

Medicaid Spend by Quarter (SFY 2017-18) (\$M)



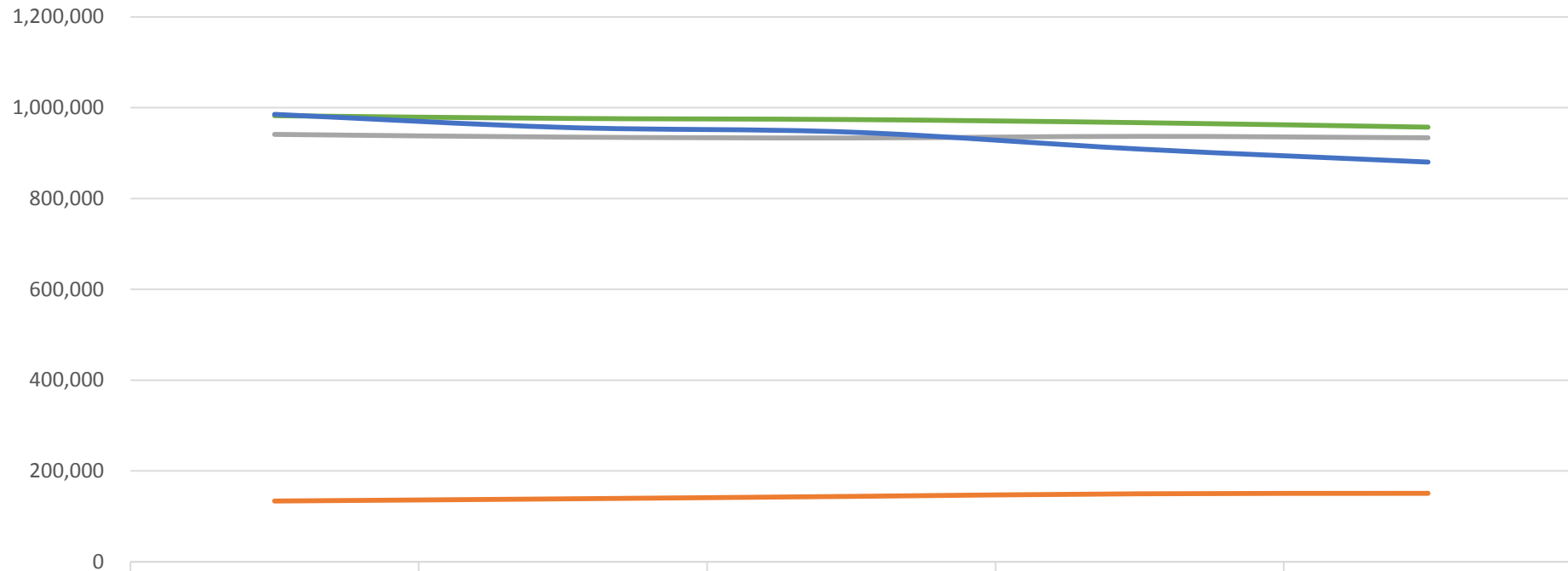
Note(s): (1) Traditional Medicaid increased on Jan. 1, 2018 to increase in payments to pediatric hospitals due to cost settlement payments and increase in Medicare buy-in expenditures.
 (2) Arkansas Works increased on Jan. 1, 2018 due to increase in rates to carriers.

Traditional Medicaid Enrollment by Quarter (SFY 2017-18)



Note(s): This point-in-time report was run on Jul. 12, 2018. Enrollment is counted on the last day of each month and includes retro-active eligibility for each month. As a result, these totals will vary from previous Scorecards.

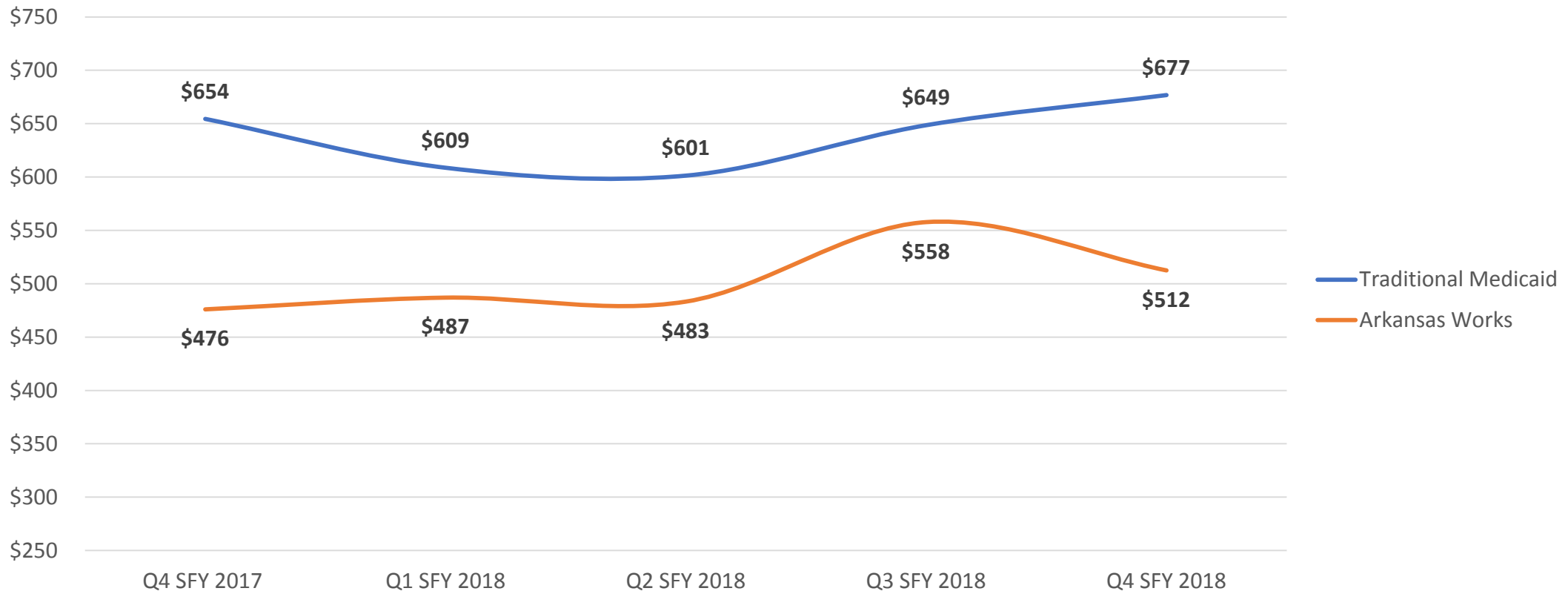
Medicaid Enrollee Months by Quarter (SFY 2017-18)



| | Q4 SFY 2017 | Q1 SFY 2018 | Q2 SFY 2018 | Q3 SFY 2018 | Q4 SFY 2018 |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| AR Kids B | 133,772 | 138,539 | 143,987 | 149,725 | 150,716 |
| AR Kids A | 982,459 | 976,488 | 973,936 | 967,101 | 957,200 |
| Other Traditional Medicaid | 941,285 | 935,362 | 933,457 | 936,925 | 933,797 |
| ARWorks | 985,361 | 956,679 | 946,148 | 908,924 | 880,312 |
| Total | 3,042,877 | 3,007,068 | 2,997,528 | 2,962,675 | 2,922,025 |

Note(s): This point-in-time report was run on Jul. 12, 2018. Enrollment is counted on the last day of each month and includes retro-active eligibility for each month. As a result, these totals will vary from previous Scorecards.

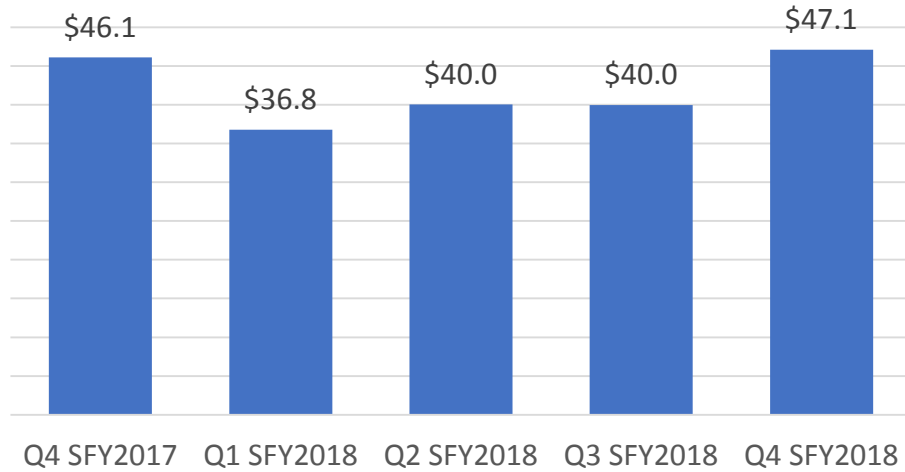
Medicaid Average Cost Per Enrollee Per Month by Quarter (SFY 2017-18)



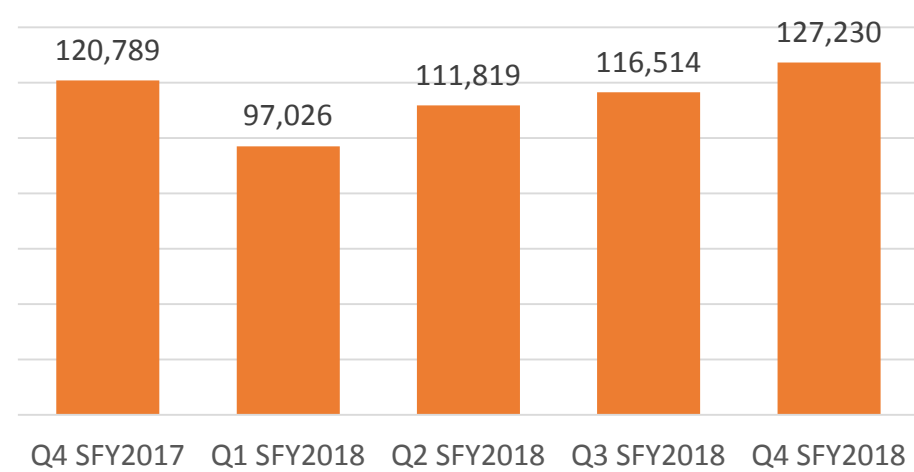
Note(s): (1) Traditional Medicaid increased on Jan. 1, 2018 to increase in payments to pediatric hospitals due to cost settlement payments and increase in Medicare buy-in expenditures.
 (2) Arkansas Works increased on Jan. 1, 2018 due to increase in rates to carriers.
 (3) This point-in-time report was run on Jul. 12, 2018. Enrollment is counted on the last day of each month and includes retro-active eligibility for each month. As a result, these totals will vary from previous Scorecards.

DD – Therapy Caps by Quarter (SFY 2017-18)

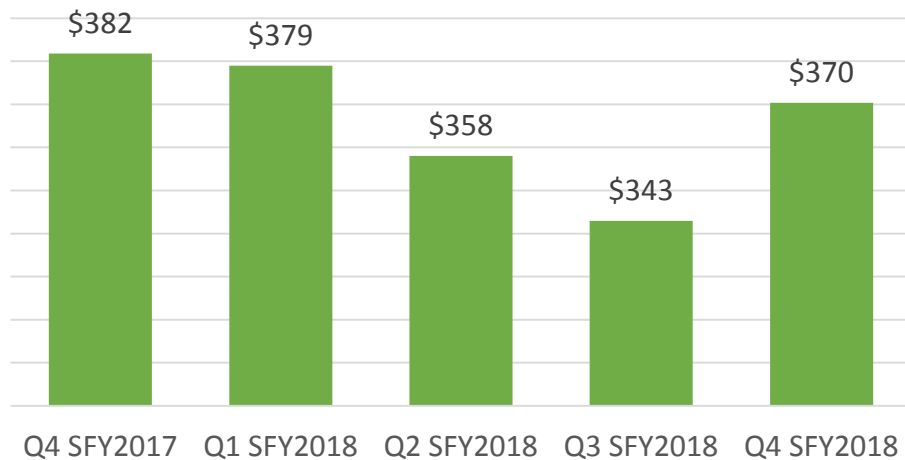
Amount Paid (\$M)



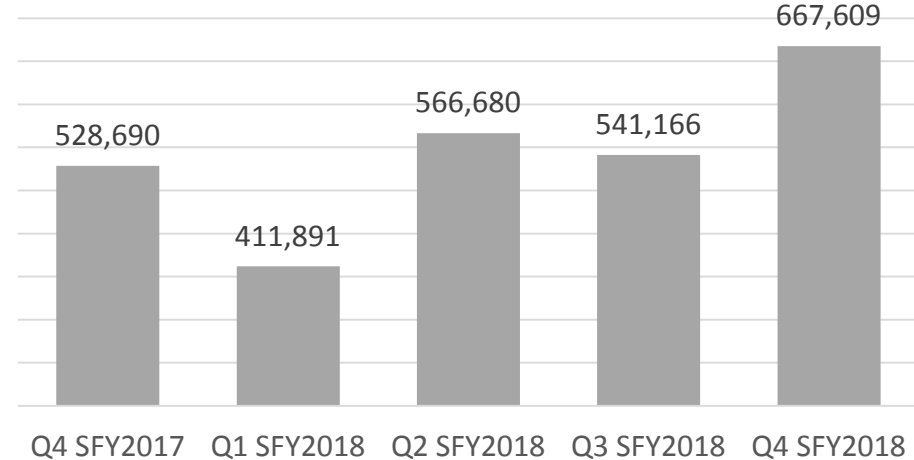
Total User Months per Quarter



Amount Paid Per User Month



Claims

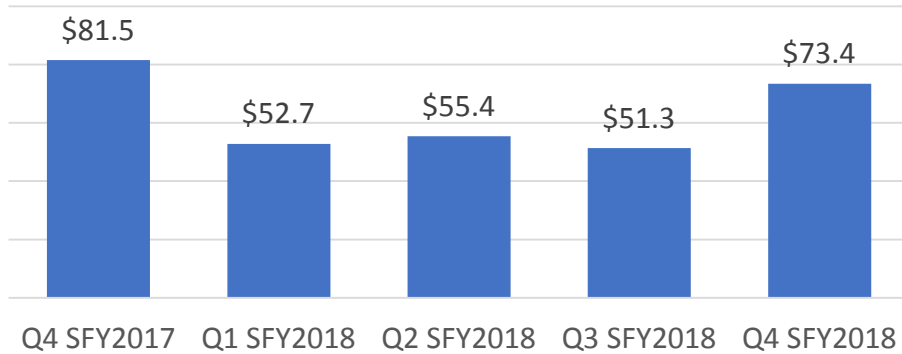


DD – Therapy Cap Spend by Quarter (SFY 2017-18)

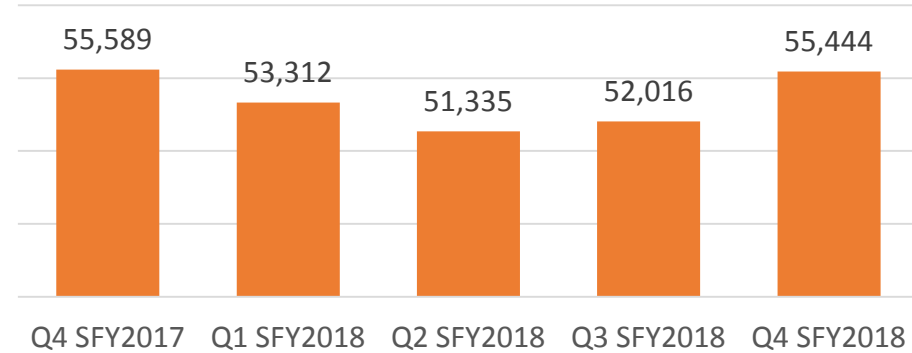
| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|---|-----------------------|-----------------------|-----------------------|-----------------------|--|-----------------------|---------------------------|
| Physical Therapy CHMS | \$3,208,703 | \$2,988,955 | \$3,038,825 | \$3,046,309 | \$3,595,432 | \$3,351,344 | (\$244,088) |
| Occupational Therapy - CHMS | \$3,997,703 | \$3,644,577 | \$4,054,202 | \$3,888,424 | \$4,818,252 | \$4,488,362 | (\$329,890) |
| Speech & Language Therapy - CHMS | \$5,118,979 | \$4,610,626 | \$4,556,239 | \$4,397,471 | \$5,558,226 | \$5,178,634 | (\$379,592) |
| Physical Therapy General | \$4,248,657 | \$4,069,685 | \$4,044,956 | \$3,644,867 | \$4,471,747 | \$4,170,473 | (\$301,274) |
| Physical Therapy School Based | \$1,732,227 | \$439,537 | \$1,434,333 | \$1,513,840 | \$1,754,065 | \$1,629,929 | (\$124,136) |
| Occupational Therapy General | \$5,890,339 | \$5,796,874 | \$5,769,077 | \$5,257,287 | \$6,455,782 | \$6,020,090 | (\$435,692) |
| Occupational Therapy School Based | \$3,304,546 | \$874,925 | \$2,524,474 | \$2,862,867 | \$3,650,647 | \$3,388,453 | (\$262,194) |
| Speech & Language Therapy General | \$8,188,547 | \$7,628,104 | \$7,712,057 | \$7,085,107 | \$8,742,491 | \$8,150,736 | (\$591,755) |
| Speech & Language Therapy School Based Only | \$3,861,060 | \$960,801 | \$2,625,062 | \$3,134,508 | \$4,362,454 | \$4,045,426 | (\$317,028) |
| DDTCS - Disabled Day Treatment Clinic Services Therapy | \$6,570,555 | \$5,760,383 | \$4,277,147 | \$5,124,947 | \$7,200,633 | \$6,697,149 | (\$503,484) |
| Total Developmental Disability (DD) - Therapy Caps | \$46,121,316 | \$36,774,468 | \$40,036,373 | \$39,955,626 | \$50,609,730 | \$47,120,596 | (\$3,489,134) |

DD – CHMS/DDTCS by Quarter (SFY 2017-18)

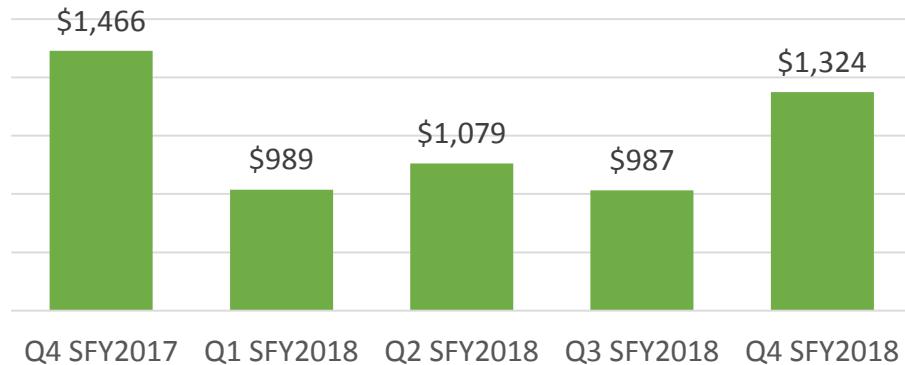
Amount Paid (\$M)



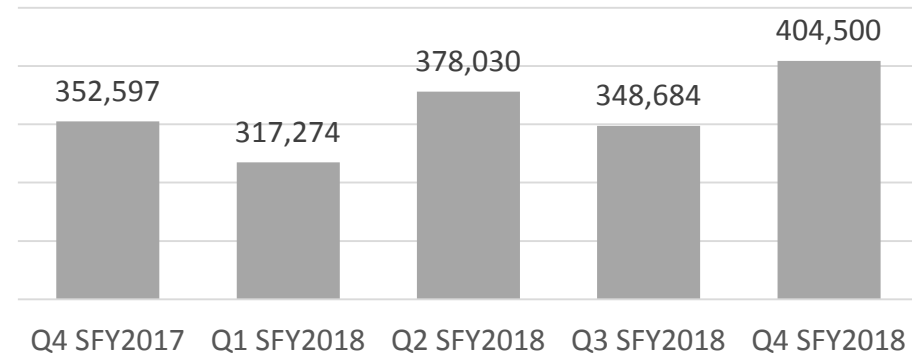
Total User Months per Quarter



Amount Paid Per User Month



Claims



Note(s): DDTCS – Disabled Day Treatment Clinic Services expenditures for Q3 – SFY 2017 through Q1 – SFY 2018 have been restated due to DDTCS therapy services being included in the Q1 – SFY 2018 scorecard

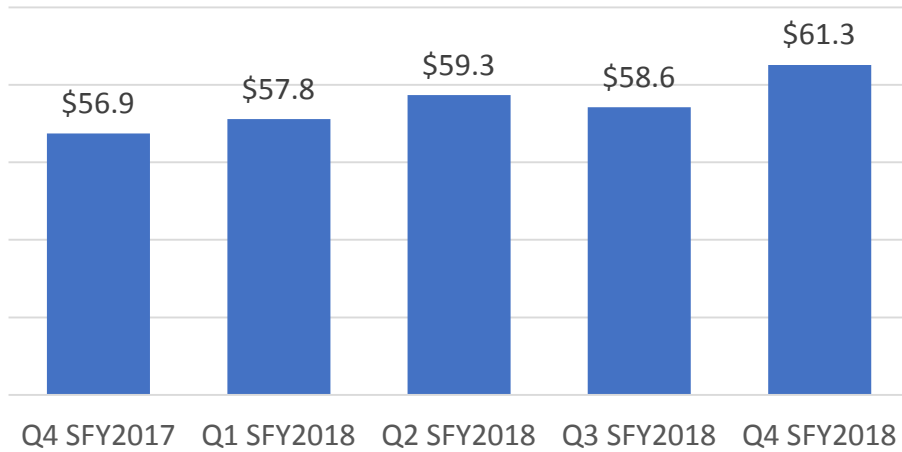
DD – CHMS/DDTCS Spend by Quarter (SFY 2017-18)

| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|---|-----------------------|-----------------------|-----------------------|-----------------------|--|-----------------------|---------------------------|
| EPSDT - CHMS | \$36,672,954 | \$14,956,818 | \$15,258,311 | \$16,823,212 | \$34,112,838 | \$31,606,970 | (\$2,505,868) |
| Rehab Services School Based CHMS | \$2,396,620 | \$2,003,600 | \$614,053 | (\$12,136) | (\$13,781) | \$0 | \$13,781 |
| DDTCS Transportation | \$4,263,852 | \$3,776,655 | \$3,912,788 | \$3,327,081 | \$4,487,968 | \$4,181,779 | (\$306,189) |
| DDTCS - Disabled Day Treatment Clinic Services | \$38,148,411 | \$32,009,754 | \$35,614,248 | \$31,201,401 | \$40,397,595 | \$37,639,850 | (\$2,757,745) |
| Total Developmental Disability (DD) - CHMS/DDTCS | \$81,481,836 | \$52,746,826 | \$55,399,400 | \$51,339,558 | \$78,984,620 | \$73,428,599 | (\$5,556,021) |

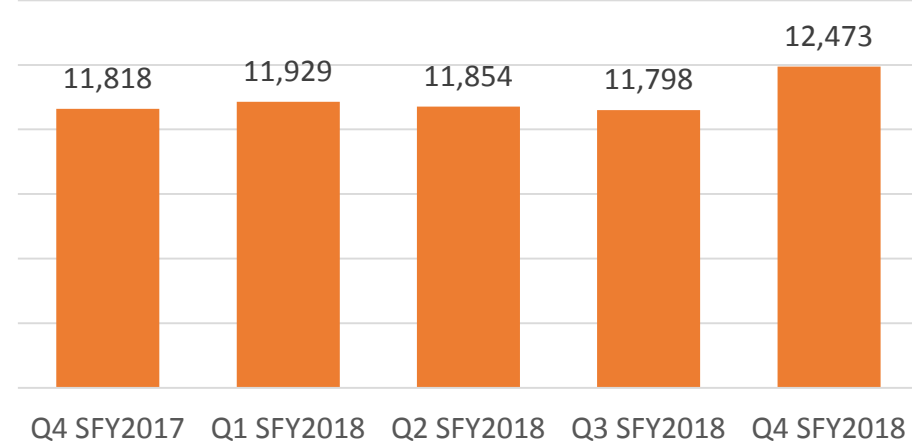
Note(s): DDTCS – Disabled Day Treatment Clinic Services expenditures for Q3 – SFY 2017 through Q1 – SFY 2018 have been restated due to DDTCS therapy services being included in the Q1 – SFY 2018 scorecard

DD – Waivers by Quarter (SFY 2017-18)

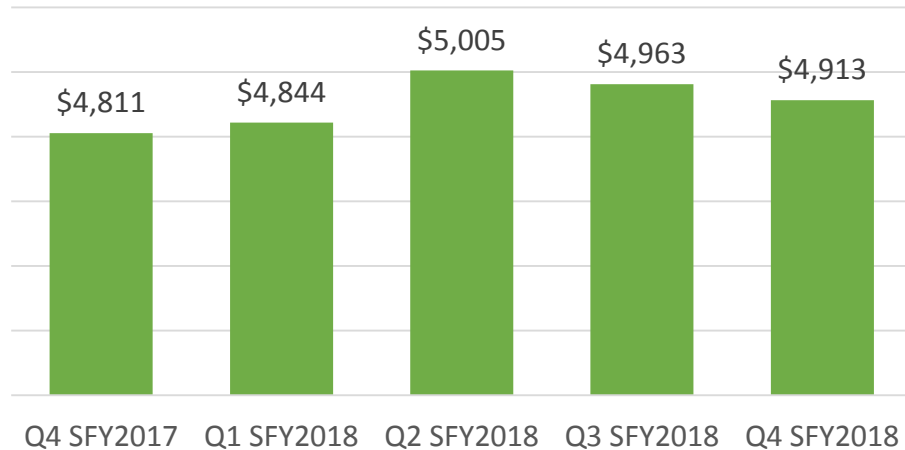
Amount Paid (\$M)



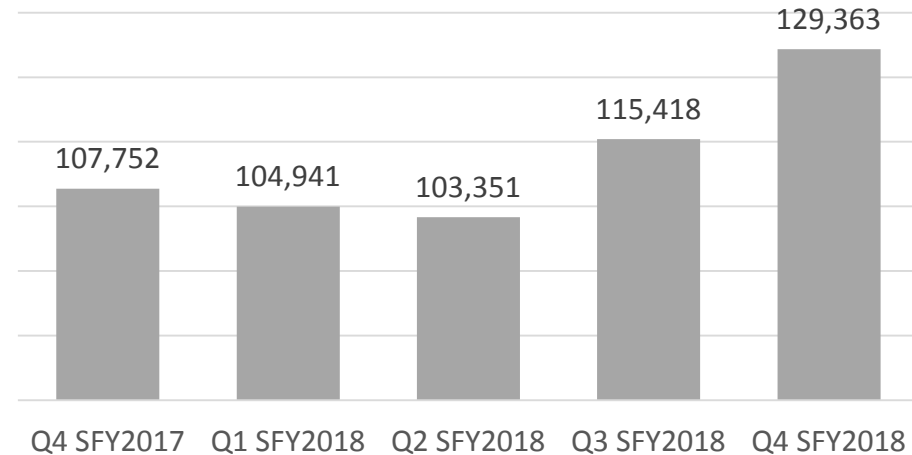
Total User Months per Quarter



Amount Paid Per User Month



Claims



DD – Waiver Spend by Quarter (SFY 17-18)

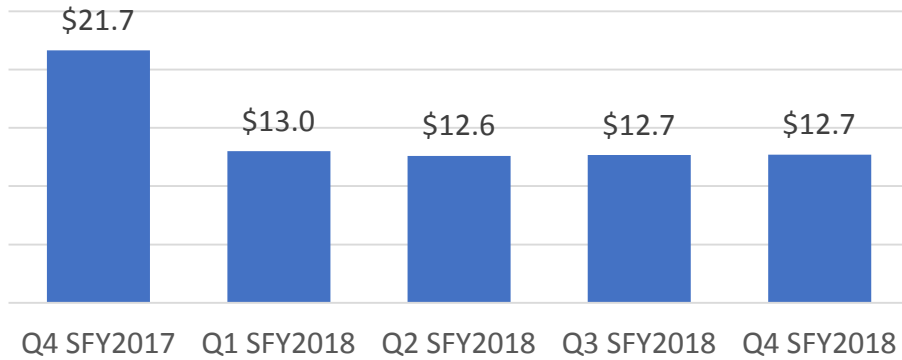
| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|--|-----------------------|-----------------------|-----------------------|-----------------------|--|-----------------------|---------------------------|
| DDS Community & Employee Supports Waiver* | \$56,190,530 | \$57,159,764 | \$58,766,349 | \$58,039,468 | \$65,353,858 | \$60,961,016 | (\$4,392,842) |
| Autism Intensive Intervention Provider Waiver | \$667,990 | \$622,136 | \$564,593 | \$667,130 | \$913,267 | \$849,072 | (\$64,195) |
| DDS H/C Community & Employee Supports Waiver*† | \$0 | \$0 | \$2,126 | (\$156,529) | (\$573,710) | (\$528,469) | \$45,241 |
| Total Developmental Disability Services (DD) - Waiver | \$56,858,519 | \$57,781,900 | \$59,333,068 | \$58,550,069 | \$65,693,414 | \$61,281,619 | (\$4,411,795) |

* Formerly known as the Alternative Community Services Waiver

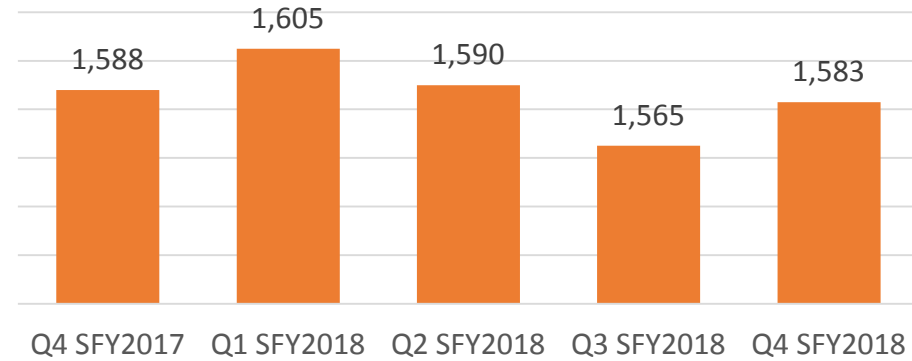
† Category introduced in the Q2 scorecard

DD – ICF by Quarter (SFY 2017-18)

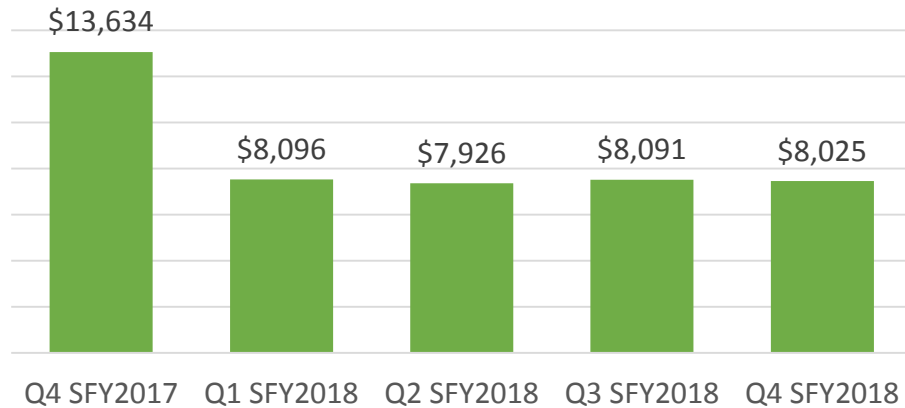
Amount Paid (\$M)



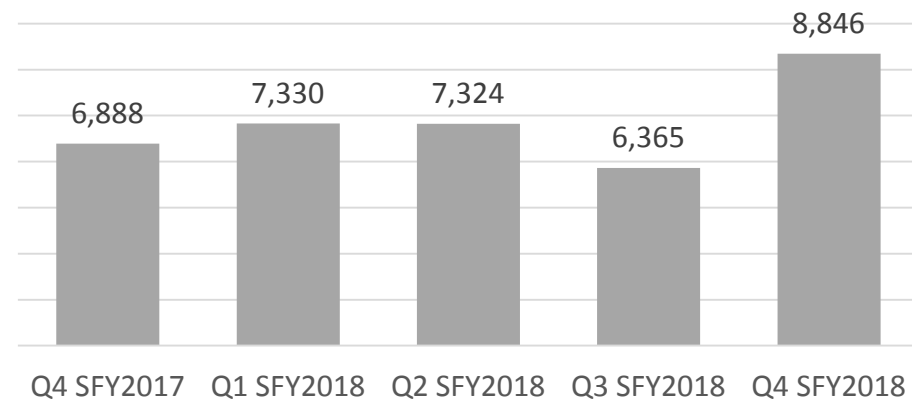
Total User Months per Quarter



Amount Paid Per User Month



Claims



Note(s): These figures do not include HDC providers

DD – ICF Spend by Quarter (SFY 2017-18)

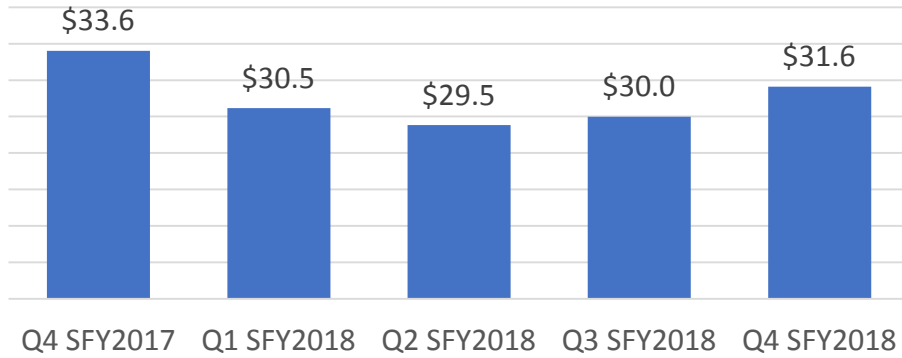
| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|---|-----------------------|-----------------------|-----------------------|-----------------------|--|-----------------------|---------------------------|
| ICF/Infant Infirmaries | \$6,945,303 | \$7,003,048 | \$6,780,055 | \$6,890,818 | \$7,218,725 | \$6,740,605 | (\$478,120) |
| Public - ICF | \$14,705,242 | \$5,990,980 | \$5,823,043 | \$5,774,040 | \$6,389,365 | \$5,962,719 | (\$426,646) |
| Private ICF* | \$0 | \$0 | \$0 | (\$1,968) | \$10 | \$0 | (\$10) |
| Total Developmental Disability Services (DD) - ICF | \$21,650,545 | \$12,994,028 | \$12,603,098 | \$12,662,889 | \$13,608,101 | \$12,703,324 | (\$904,777) |

Note(s): These numbers do not include HDC providers

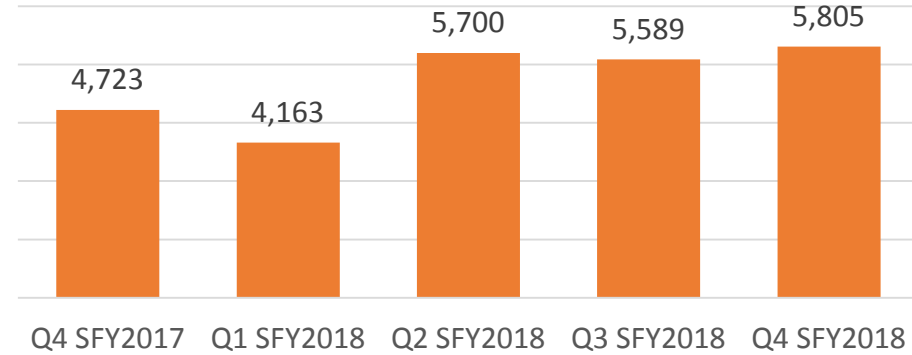
* Category introduced in the Q2 scorecard

BH – Inpatient by Quarter (SFY 2017-18)

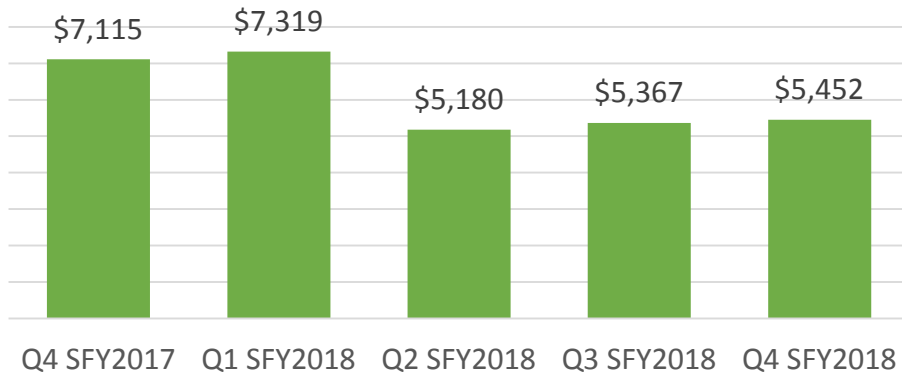
Amount Paid (\$M)



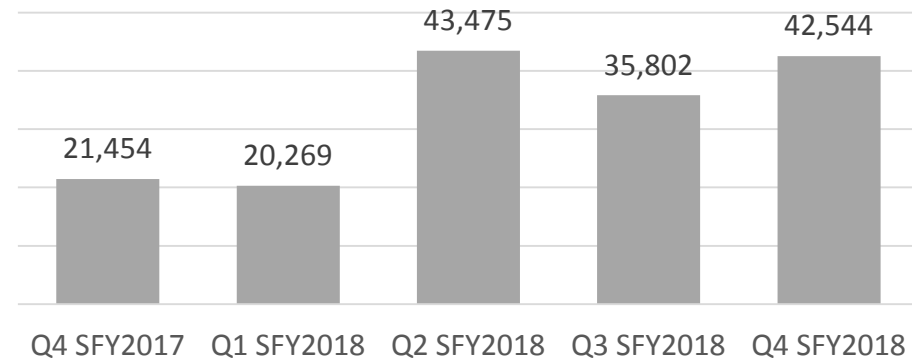
Total User Months per Quarter



Amount Paid Per User Month



Claims

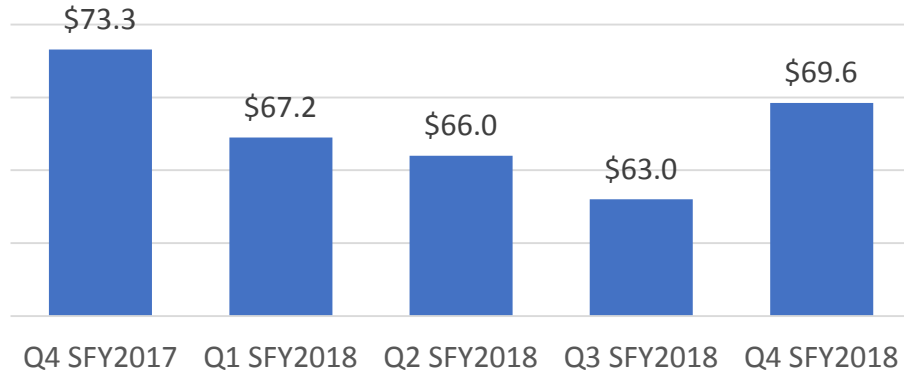


BH – Inpatient Spend by Quarter (SFY 2017-18)

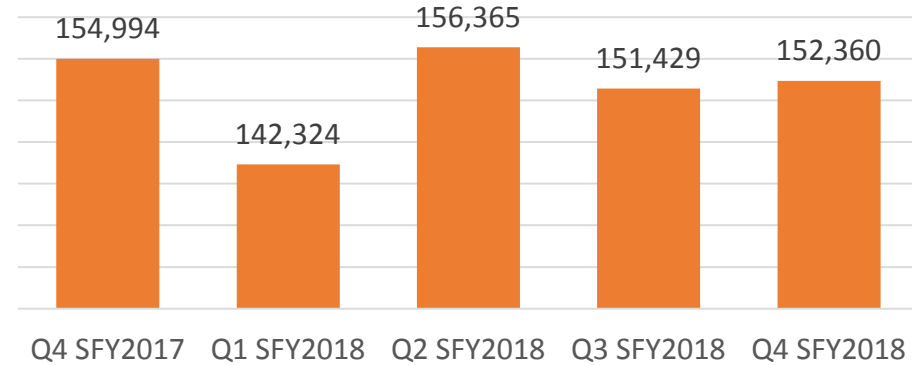
| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|---|-----------------------|-----------------------|-----------------------|-----------------------|--|-----------------------|---------------------------|
| Inpatient Psychiatric, U-21 | \$33,204,289 | \$30,075,052 | \$29,271,096 | \$29,740,936 | \$33,707,297 | \$31,438,512 | (\$2,268,785) |
| Inpatient Psychiatric Crossover, U-21 | \$401,675 | \$394,950 | \$255,479 | \$256,734 | \$222,228 | \$208,826 | (\$13,402) |
| Total Behavioral Health (BH) – Inpatient | \$33,605,963 | \$30,470,002 | \$29,526,576 | \$29,997,670 | \$33,929,524 | \$31,647,338 | (\$2,282,186) |

BH – Outpatient by Quarter (SFY 2017-18)

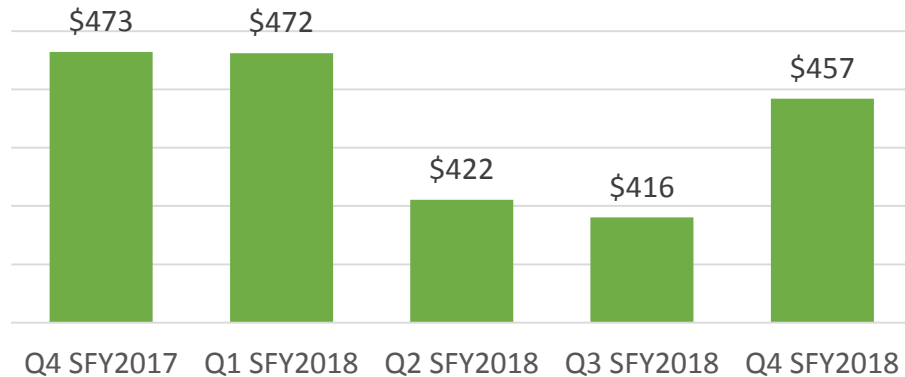
Amount Paid (\$M)



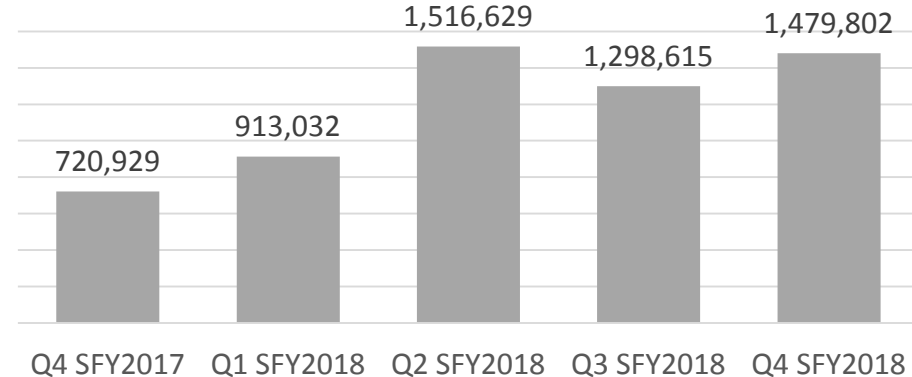
Total User Months per Quarter



Amount Paid Per User Month



Claims



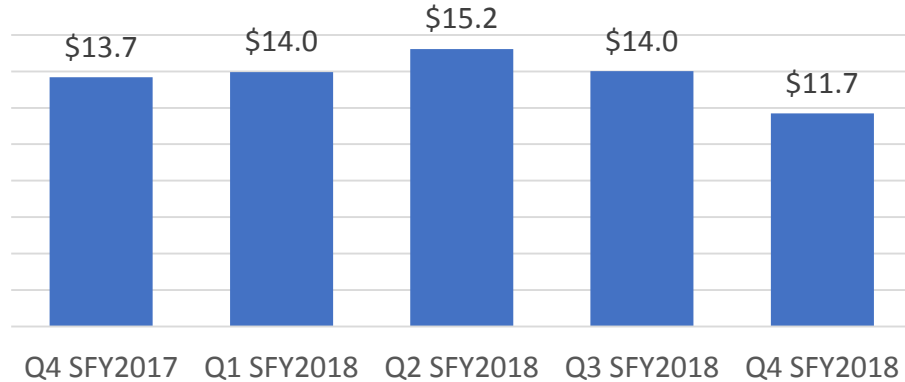
BH – Outpatient Spend by Quarter (SFY 2017-18)

| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|--|-----------------------|-----------------------|-----------------------|-----------------------|--|-----------------------|---------------------------|
| Mental Health Clinic RSPMI | \$72,568,659 | \$66,671,151 | \$65,768,437 | \$62,981,036 | \$74,602,891 | \$69,572,965 | (\$5,029,926) |
| Rehab Services - School Based RSPMI | \$684,582 | \$543,104 | \$200,781 | (\$6,858) | (\$6,599) | (\$2,484) | \$4,115 |
| School-Based Mental Health Services | \$6,765 | \$453 | \$9,759 | \$14,448 | \$28,543 | \$26,374 | (\$2,169) |
| Substance Abuse Program | \$23,993 | \$22,659 | \$18,923 | \$15,738 | \$10,811 | \$10,223 | (\$588) |
| Episode RSPMI Services* | (\$37,550) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Speech & Language Therapy – RSPMI* | \$0 | \$0 | \$139 | \$44 | (\$1) | \$0 | \$1 |
| Total Behavioral Health (BH) – Outpatient | \$73,284,001 | \$67,237,368 | \$65,997,900 | \$63,004,364 | \$74,635,645 | \$69,607,078 | (\$5,028,567) |

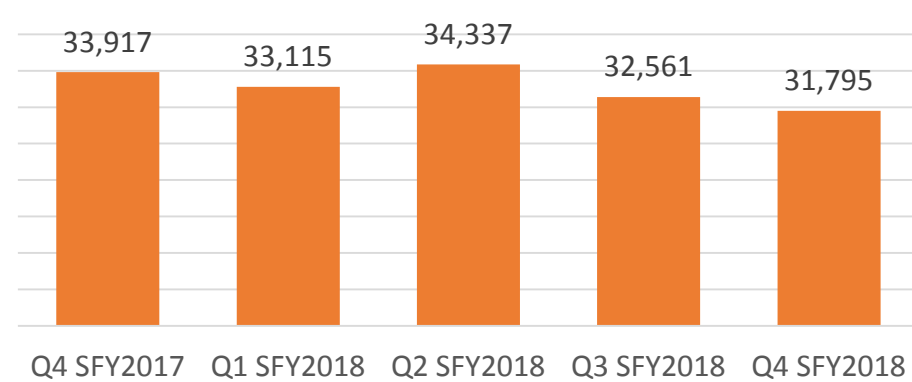
* Category introduced in the Q2 scorecard

LTSS MOU – Independent Choices by Quarter (SFY 2017-18)

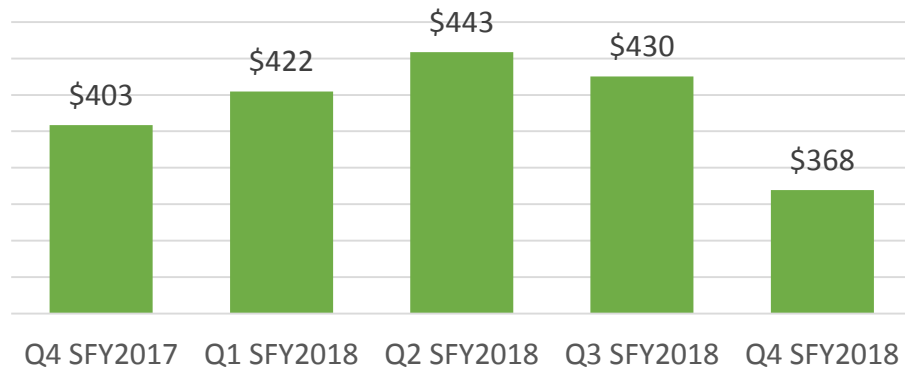
Amount Paid (\$M)



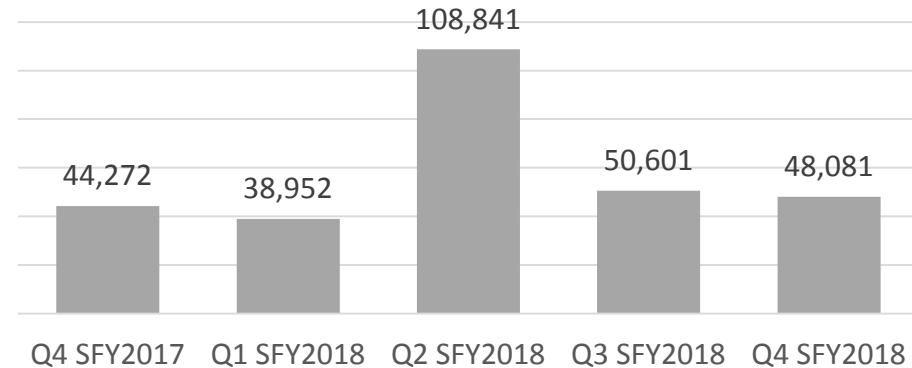
Total User Months Per Quarter



Amount Paid Per User Month



Claims



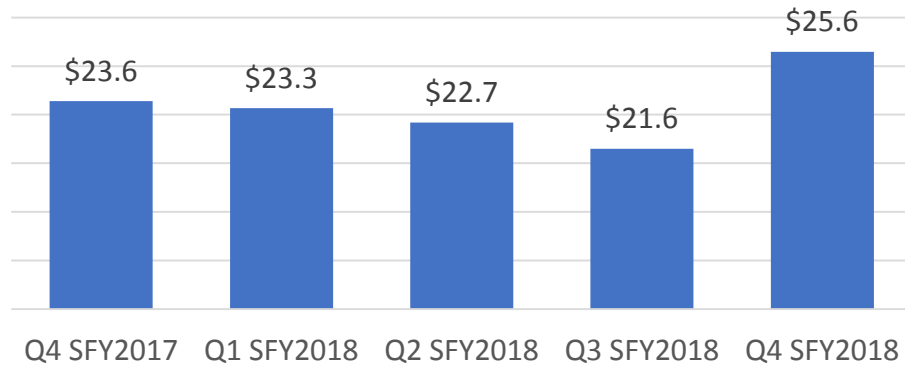
Note(s): The following Provider Types were used to determine Personal Care: '32' & '87'

LTSS MOU – Independent Choices Spend by Quarter (SFY 2017-18)

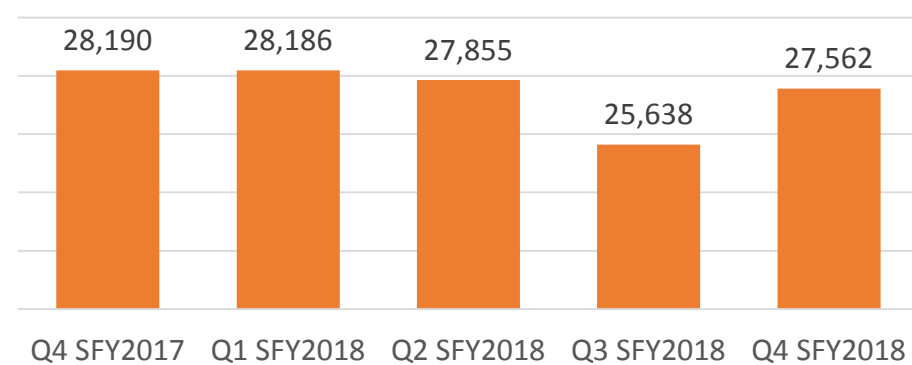
| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|--|-----------------------|-----------------------|-----------------------|-----------------------|--|-----------------------|---------------------------|
| Treatment Elderly | \$11,361,068 | \$11,664,217 | \$11,455,892 | \$11,652,530 | \$9,960,575 | \$9,331,241 | (\$629,334) |
| Refusers | \$815,625 | \$815,325 | \$1,343,800 | \$800,200 | \$993,389 | \$928,150 | (\$65,239) |
| Counseling/Fiscal Intermediary | \$1,502,850 | \$1,488,200 | \$2,427,085 | \$1,550,590 | \$1,526,611 | \$1,430,820 | (\$95,791) |
| LTSS MOU Services - Independent Choices | \$13,679,543 | \$13,967,742 | \$15,226,777 | \$14,003,320 | \$12,480,576 | \$11,690,211 | (\$790,365) |

LTSS MOU – Personal Care by Quarter (SFY 2017-18)

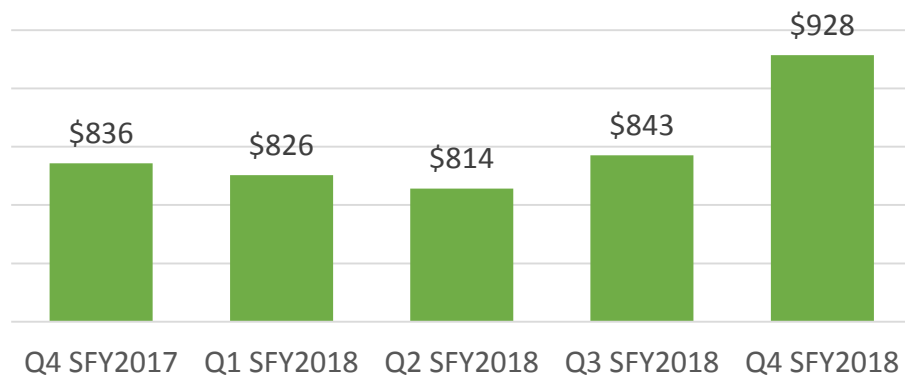
Amount Paid (\$M)



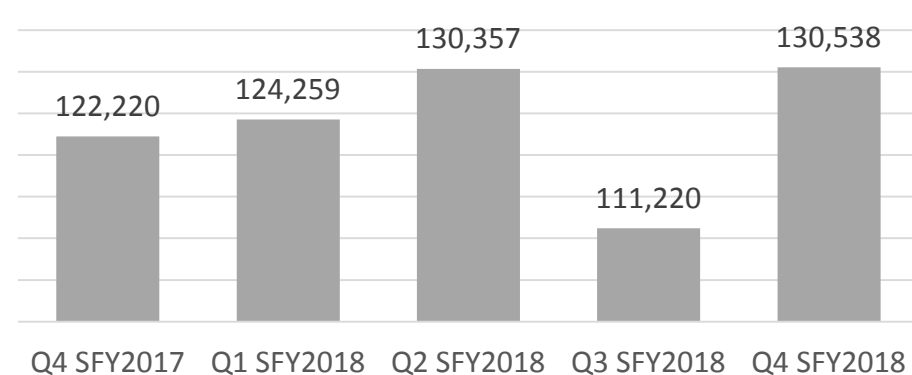
Total User Months Per Quarter



Amount Paid Per User Month



Claims



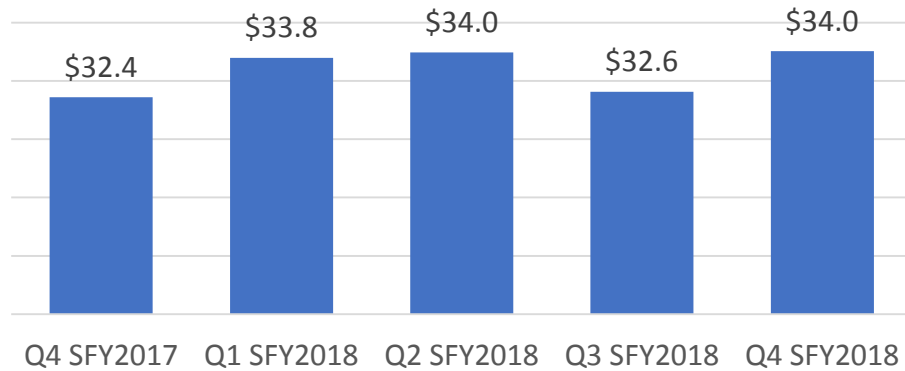
Note(s): The following Provider Types were used to determine Personal Care: '32' & '87'

LTSS MOU – Personal Care Spend by Quarter (SFY 2017-18)

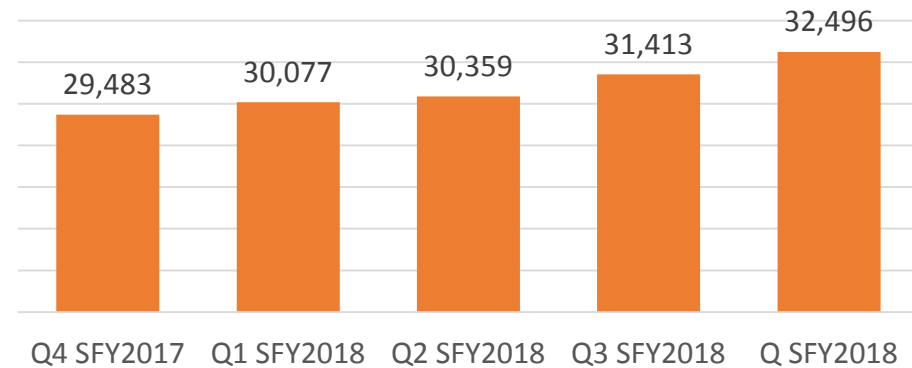
| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|---|-----------------------|-----------------------|-----------------------|-----------------------|--|-----------------------|---------------------------|
| Personal Care - Regular | \$22,788,758 | \$23,130,743 | \$22,491,811 | \$21,191,872 | \$26,773,682 | \$24,952,384 | (\$1,821,298) |
| Personal Care - School Based | \$769,471 | \$136,833 | \$185,382 | \$410,696 | \$688,040 | \$636,448 | (\$51,592) |
| Total LTSS MOU - Personal Care | \$23,558,229 | \$23,267,575 | \$22,677,193 | \$21,602,568 | \$27,461,722 | \$25,588,832 | (\$1,872,890) |

LTSS MOU – AR Choices & Other Waivers by Quarter (SFY 2017-18)

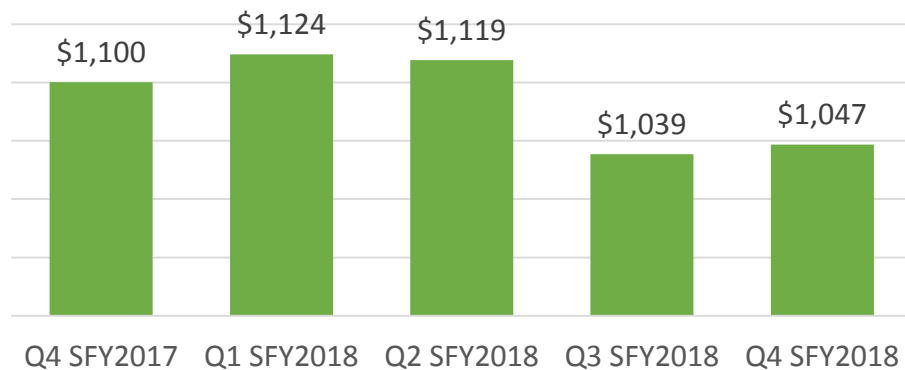
Amount Paid (\$M)



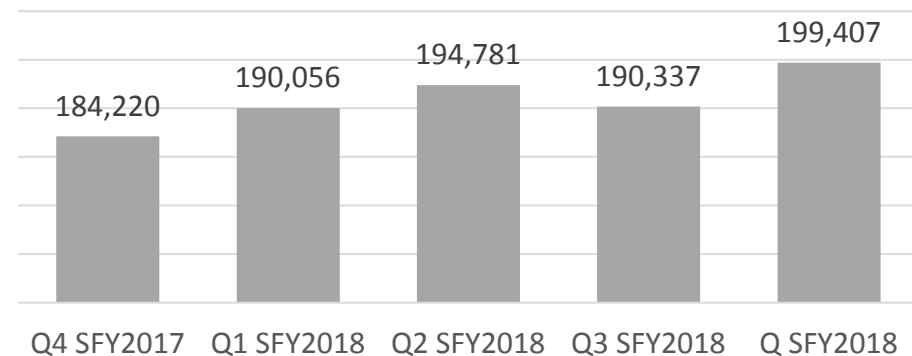
Total User Months Per Quarter



Amount Paid Per User Month



Claims

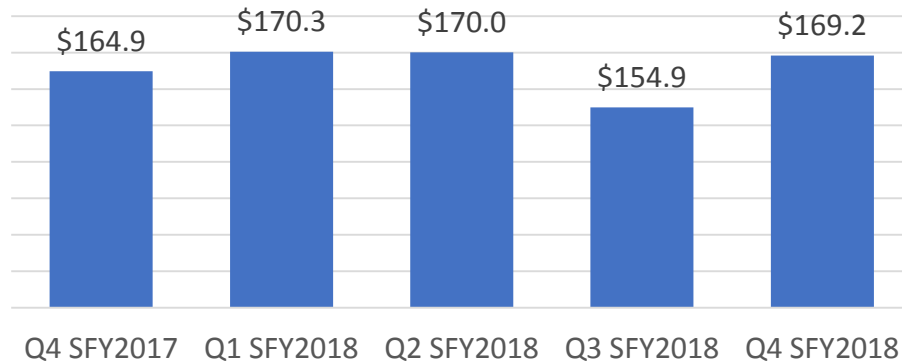


LTSS MOU – AR Choices & Other Waiver Spend by Quarter (SFY 2017-18)

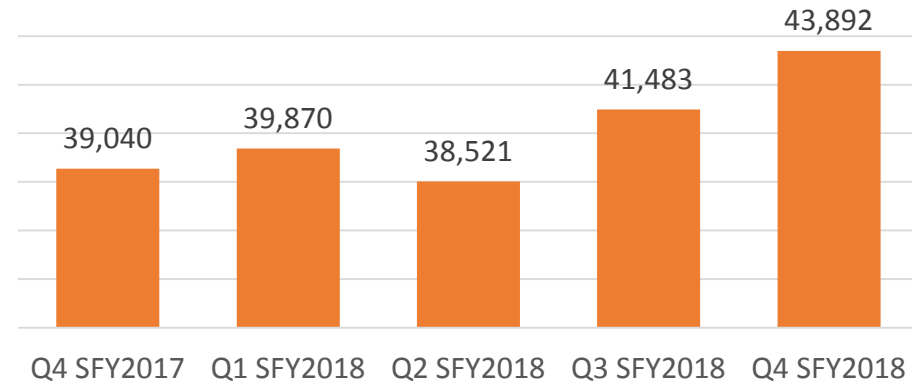
| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|--------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|--|-----------------------|---------------------------|
| ARChoices in Home Care | \$30,182,548 | \$31,601,761 | \$32,214,183 | \$30,544,913 | \$34,375,923 | \$32,079,194 | (\$2,296,729) |
| ARSeniors | \$2,270,440 | \$2,219,202 | \$1,772,628 | \$2,093,955 | \$2,124,571 | \$1,983,860 | (\$140,711) |
| Former Elderchoices & APD Waivers | (\$16,860) | (\$25,957) | (\$11,982) | (\$11,787) | (\$49,620) | (\$45,884) | \$3,736 |
| Total LTSS MOU - Waivers | \$32,436,127 | \$33,795,006 | \$33,974,829 | \$32,627,081 | \$36,450,874 | \$34,017,169 | (\$2,433,705) |

LTSS MOU – Private Long Term Care/SNF by Quarter (SFY 2017-18)

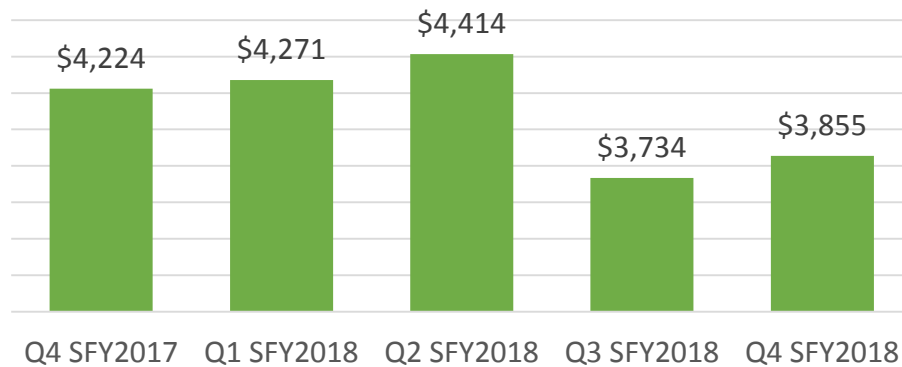
Amount Paid (\$M)



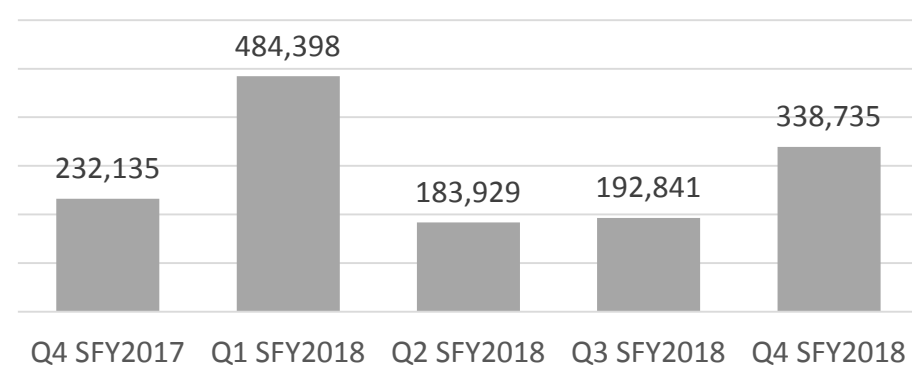
Total User Months Per Quarter



Amount Paid Per User Month



Claims



Note(s): The following Provider Types were used to determine Personal Care: '32' & '87'

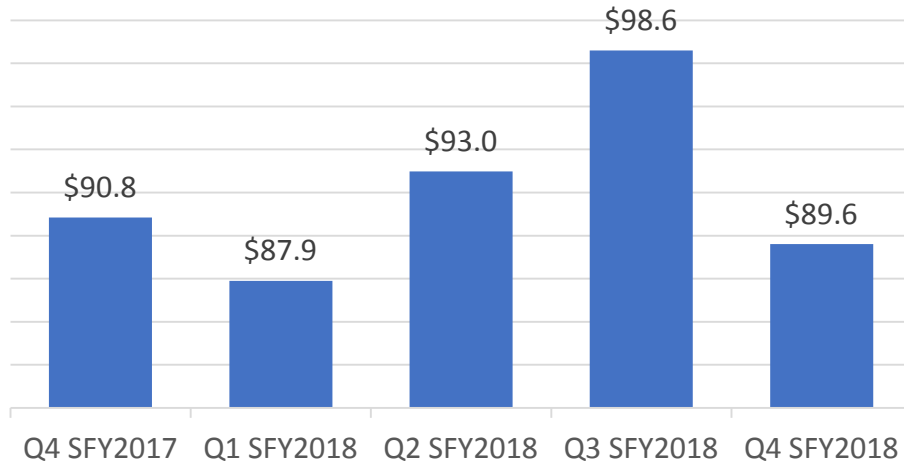
LTSS MOU – Private Long Term Care/SNF Spend by Quarter (SFY 2017-18)

| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|--|-----------------------|-----------------------|-----------------------|-----------------------|--|-----------------------|---------------------------|
| Private SNF | \$158,486,081 | \$164,219,231 | \$164,105,692 | \$146,793,063 | \$173,577,014 | \$161,973,419 | (\$11,603,595) |
| Private SNF Crossover | \$6,412,531 | \$6,032,711 | \$5,927,325 | \$8,117,767 | \$7,759,766 | \$7,235,372 | (\$524,394) |
| SNF Distinct Part Beds Crossovers* | \$0 | \$0 | \$0 | (\$442) | (\$22,874) | (\$21,042) | \$1,832 |
| Private Long Term Care Adjustment | \$0 | \$21,043 | \$0 | \$1,716 | (\$120) | \$0 | \$120 |
| Total LTSS MOU – Private Long Term Care / SNF | \$164,898,612 | \$170,272,986 | \$170,033,016 | \$154,912,104 | \$181,313,786 | \$169,187,749 | (\$12,126,037) |

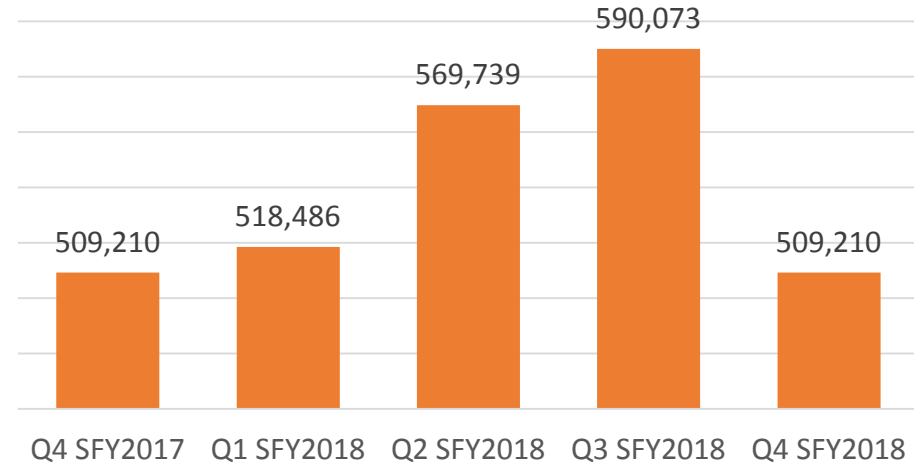
* New category not found in previous scorecards

Pharmacy by Quarter (SFY 2017-18)

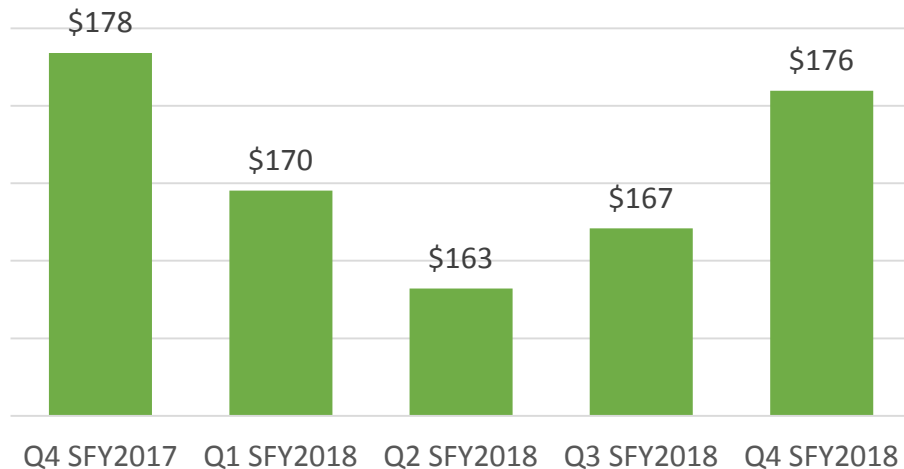
Amount Paid (\$M)



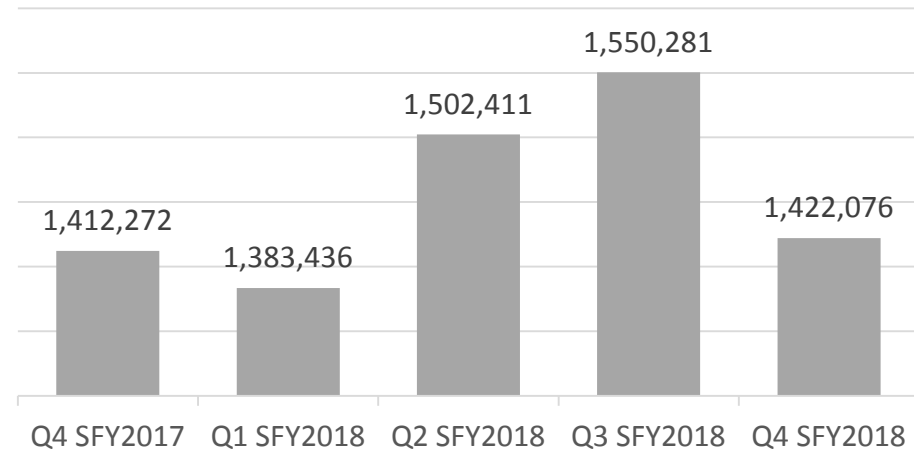
Total User Months Per Quarter



Amount Paid Per User Month



Claims



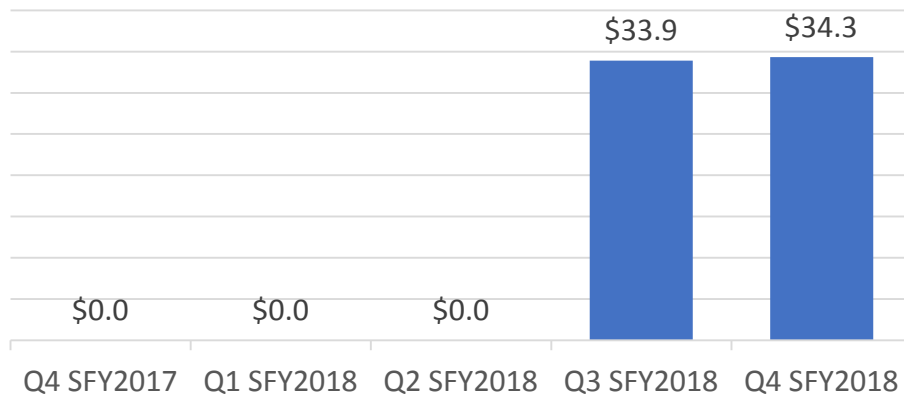
Pharmacy Spend by Quarter (SFY 2017-18)

| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|--|-----------------------|---------------------------|
| Prescription Services | \$89,866,307 | \$86,924,421 | \$91,990,504 | \$97,595,060 | \$94,778,474 | \$88,525,648 | (\$6,252,826) |
| Family Planning Drugs | \$977,051 | \$972,520 | \$990,525 | \$1,007,814 | \$1,155,409 | \$1,077,237 | (\$78,172) |
| Prescription Drug Adjustments | \$0 | \$0 | \$1,659 | (\$455) | (\$6) | \$0 | \$6 |
| Total Pharmacy Cost | \$90,843,358 | \$87,896,942 | \$92,982,688 | \$98,602,418 | \$95,933,877 | \$89,602,885 | (\$6,330,992) |

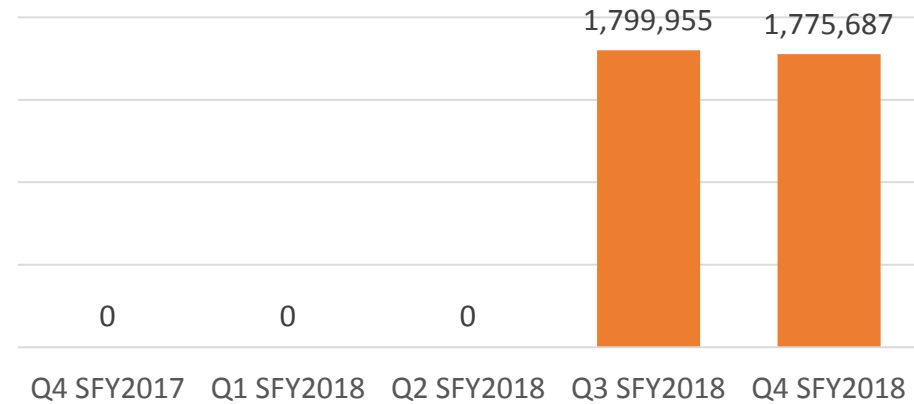
Note: DHS incurred \$7.5 million more in Tamiflu for Quarter 3 2018 versus Quarter 2 2018.

Dental Managed Care by Quarter (SFY 2017-18)

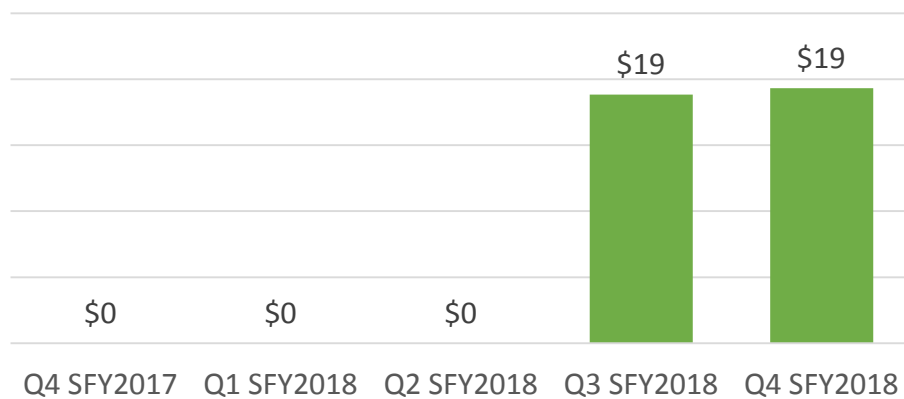
Amount Paid (\$M)



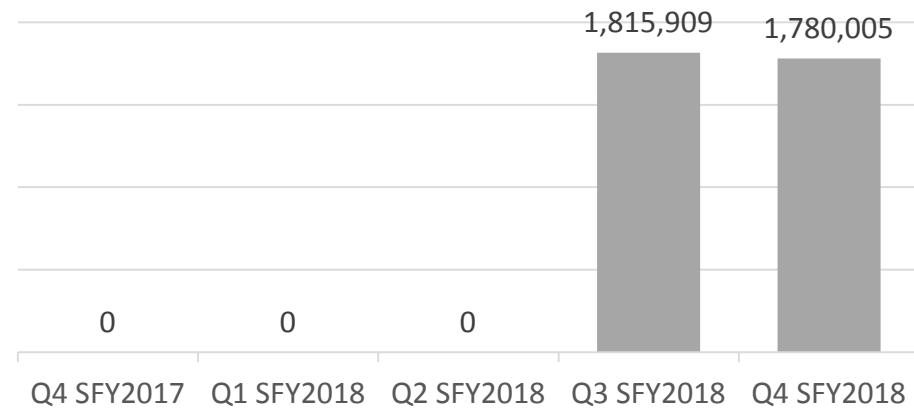
Total User Months Per Quarter



Amount Paid Per User Month



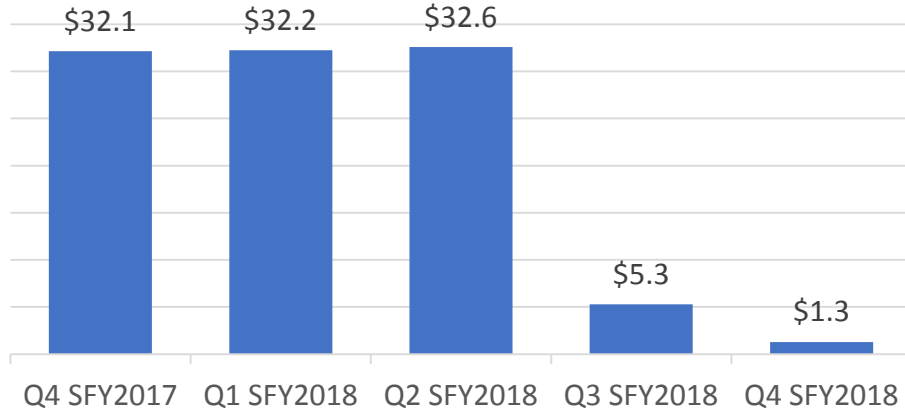
Claims



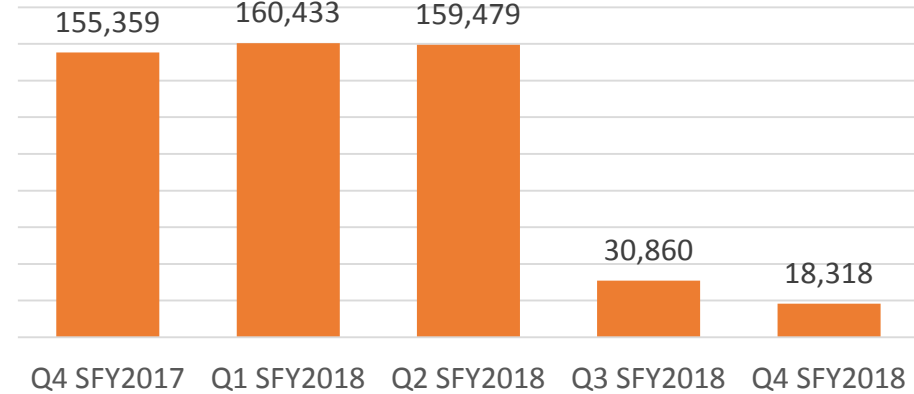
Note(s): There is no data prior to Q3 – SFY2018 as Dental Managed Care was implemented on 01/01/2018

Dental Fee for Service by Quarter (SFY 2017-18)

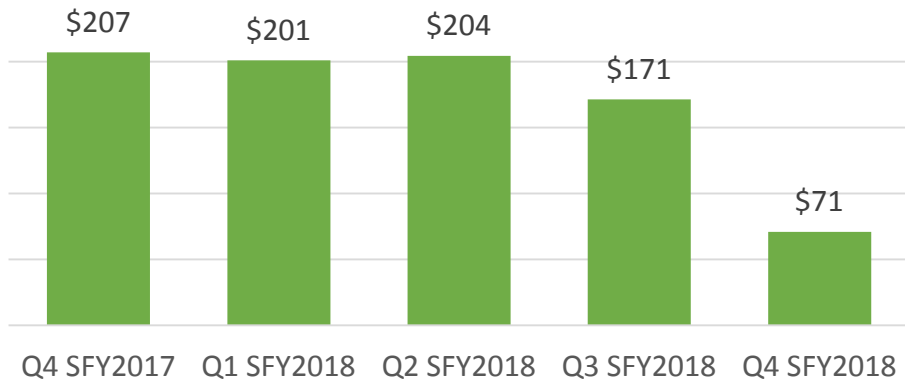
Amount Paid (\$M)



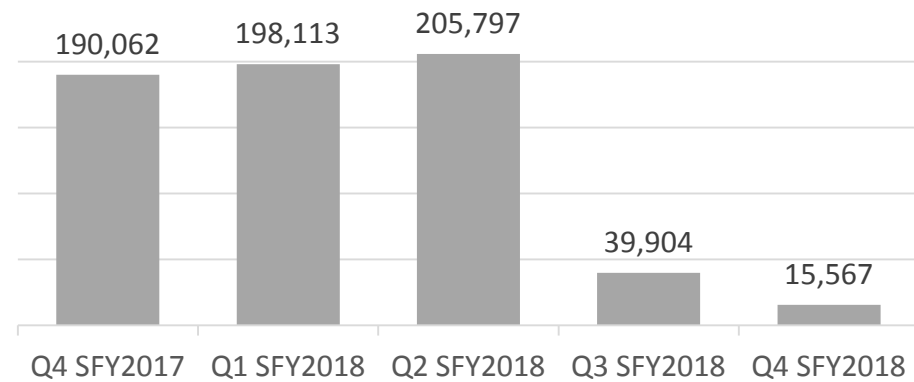
Total User Months Per Quarter



Amount Paid Per User Month



Claims



Note(s): The drop in Q3 & Q4 – SFY2018 is due to Dental Fee-For-Service transitioning to Dental Managed Care

Dental Spend by Quarter (SFY 2017-18)

| | Q4 SFY 2017 Actual | Q1 SFY 2018 Actual | Q2 SFY 2018 Actual | Q3 SFY 2018 Actual | Q4 SFY 2018 HCTF Baseline (5% Annual Increase) | Q4 SFY 2018 Actual | Q4 SFY 2018 Difference |
|---|-----------------------|-----------------------|-----------------------|-----------------------|--|-----------------------|---------------------------|
| Dental Managed Care | \$0 | \$0 | \$0 | \$33,891,412 | \$37,134,548 | \$34,322,478 | (\$2,812,070) |
| Dental Fee for Service | \$32,146,006 | \$32,247,834 | \$32,568,691 | \$5,287,235 | \$1,038,489 | \$1,296,301 | \$257,812 |
| <i>Dental Services</i> | \$21,321,880 | \$20,733,403 | \$25,847,181 | \$4,503,623 | \$936,554 | \$1,110,005 | \$173,451 |
| <i>Dental Services, EPSDT</i> | \$8,187,651 | \$8,759,143 | \$4,520,715 | \$271,039 | \$20,941 | \$85,189 | \$64,248 |
| <i>Dental Prosthetic Device Adult</i> | \$302,262 | \$370,140 | \$352,247 | \$124,005 | \$27,224 | \$29,159 | \$1,935 |
| <i>Dental Prosthetic Device Children</i> | \$6,591 | \$10,357 | \$5,197 | \$2,270 | \$230 | \$298 | \$68 |
| <i>Oral Surgery - Physicians</i> | \$339,992 | \$332,934 | \$236,483 | \$41,797 | \$34,026 | \$34,272 | \$246 |
| <i>Oral Surgery - Dentist (ADA Codes)</i> | \$1,987,631 | \$2,041,858 | \$1,606,868 | \$344,501 | \$19,514 | \$37,377 | \$17,863 |
| Total Dental | \$32,146,006 | \$32,247,834 | \$32,568,691 | \$39,178,647 | \$38,173,038 | \$35,618,779 | (\$2,554,259) |

SECTION III: PROVIDER-LED PROGRAM REPORT

PASSE Enrollment by Quarter (SFY 2018-19)

| | SFY 18 Q3 | SFY 18 Q4 | SFY 19 Q1 | SFY 19 Q2 | SFY 19 Q3 | SFY 19 Q4 | SFY 18 Enrollment | SFY 19 Enrollment |
|------------------------------|--------------|---------------|--------------|--------------|--------------|--------------|----------------------|----------------------|
| Arkansas Total Care | 712 | 4,849 | 0 | 0 | 0 | 0 | 4,849 | 0 |
| Empower Healthcare Solutions | 1,572 | 11,944 | 0 | 0 | 0 | 0 | 11,944 | 0 |
| Forevercare | 539 | 4,784 | 0 | 0 | 0 | 0 | 4,784 | 0 |
| Summit Community Care | 281 | 7,447 | 0 | 0 | 0 | 0 | 7,447 | 0 |
| Total | 3,104 | 29,024 | 0 | 0 | 0 | 0 | 29,024 | 0 |

Note(s): This point-in-time report was run on Jul. 19, 2018 and Enrollment is counted on the last day of each month.

PASSE User Months by Quarter (SFY 2018-19)

| | SFY 18 Q3 | SFY 18 Q4 | SFY 19 Q1 | SFY 19 Q2 | SFY 19 Q3 | SFY 19 Q4 | Total SFY 18 User Months | Total SFY 19 User Months |
|------------------------------|--------------|---------------|--------------|--------------|--------------|--------------|-----------------------------------|-----------------------------------|
| Arkansas Total Care | 1,337 | 9,429 | 0 | 0 | 0 | 0 | 10,766 | 0 |
| Empower Healthcare Solutions | 2,652 | 25,041 | 0 | 0 | 0 | 0 | 27,693 | 0 |
| Forevercare | 1,020 | 9,072 | 0 | 0 | 0 | 0 | 10,092 | 0 |
| Summit Community Care | 281 | 15,028 | 0 | 0 | 0 | 0 | 15,309 | 0 |
| Total | 5,290 | 58,570 | 0 | 0 | 0 | 0 | 63,860 | 0 |

PASSE Expenditures by Quarter (SFY 2018-19)

| | SFY 18 Q3 | SFY 18 Q4 | SFY 19 Q1 | SFY 19 Q2 | SFY 19 Q3 | SFY 19 Q4 | Total SFY 18 Spending | Total SFY 19 Spending |
|------------------------------|------------------|---------------------|--------------|--------------|--------------|--------------|-----------------------------|-----------------------------|
| Arkansas Total Care | \$247,414 | \$1,715,255 | \$0 | \$0 | \$0 | \$0 | \$1,962,669 | \$0 |
| Empower Healthcare Solutions | \$501,450 | \$4,490,327 | \$0 | \$0 | \$0 | \$0 | \$4,991,777 | \$0 |
| Forevercare | \$188,412 | \$1,661,454 | \$0 | \$0 | \$0 | \$0 | \$1,849,866 | \$0 |
| Summit Community Care | \$57,408 | \$2,731,844 | \$0 | \$0 | \$0 | \$0 | \$2,789,252 | \$0 |
| Total | \$994,684 | \$10,598,881 | \$0 | \$0 | \$0 | \$0 | \$11,593,565 | \$0 |

Note(s): Dollar values are actuals

PASSE Amount Paid Per User Month by Quarter (SFY 2018-19)

| | SFY 18 Q3 | SFY 18 Q4 | SFY 19 Q1 | SFY 19 Q2 | SFY 19 Q3 | SFY 19 Q4 | Total SFY 18 Amt. Paid Per User Month | Total SFY 19 Amt. Paid Per User Month |
|------------------------------|-----------------|-----------------|--------------|--------------|--------------|--------------|---|---|
| Arkansas Total Care | \$185.05 | \$181.91 | \$0 | \$0 | \$0 | \$0 | \$182.30 | \$0 |
| Empower Healthcare Solutions | \$189.08 | \$179.32 | \$0 | \$0 | \$0 | \$0 | \$180.25 | \$0 |
| Forevercare | \$184.72 | \$183.14 | \$0 | \$0 | \$0 | \$0 | \$183.30 | \$0 |
| Summit Community Care | \$204.30 | \$181.78 | \$0 | \$0 | \$0 | \$0 | \$182.20 | \$0 |
| Total | \$188.03 | \$180.96 | \$0 | \$0 | \$0 | \$0 | \$181.55 | \$0 |

Note(s): Each PASSE is paid \$208.00 for the month of beneficiary's initial attribution to the PASSE. The PASSE receives a rate of \$173.33 per member per month for care coordination.

PASSE Savings by Quarter (SFY 2019)

| | Projected SFY 19 Q3 | Actual SFY 19 Q3 | SFY 19 Q3 Difference | Actual SFY 19 Q4 | Projected SFY 19 Q4 | SFY 19 Q4 Difference | Projected SFY 19 Spending | Actual SFY 19 Spending | SFY 19 Difference |
|------------------------------|---------------------|------------------|----------------------|------------------|---------------------|----------------------|---------------------------|------------------------|-------------------|
| Arkansas Total Care | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Empower Healthcare Solutions | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Forevercare | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Summit Community Care | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |