

ARKANSAS WORKS

Arkansas Works reflects adoption of the framework outlined by the Governor and recommendations of the Stephen Report.

The primary elements include:

1. Encourage employer based insurance rather than a permanent reliance on government insurance.

---implement mandatory employer-sponsored premium assistance. This requires Medicaid-eligible individuals with access to cost-effective ESI to enroll in employer coverage with Medicaid (a) covering the employee's premium and cost sharing that might exceed Medicaid levels; and (a) providing any benefits not covered by ESI but offered by Medicaid.

--Savings could approach up to \$29 million per year.

--The state should also look for additional incentives for employer based insurance coverage and should consider Sec. 1332 waiver to more effectively use the SHOP exchange to provide cost effective insurance for a larger number of employers.

2. Incentivize work

---work training referral requirements along with continued discussion with administration on need for work requirements (this would only apply to those who are able bodied)

----offer enhanced coverage options such as vision and/or dental benefits for those who are in compliance and who meet the goals of a Healthy, Active Arkansas

3. Personal responsibility including Healthy, Active Arkansas emphasis and incentives

---premium payments required for those with incomes above 100% of FPL (similar to the marketplace of 2%?)

---other waivers requested for options to include some contribution for those above 50% of FPL with premium waived for those who accomplish objectives of a Healthy, Active Arkansas, e.g. wellness exam.

---Consequences for failure to pay premiums such as after a set length of time.

4. Program Integrity

----restrictions on coverage or increased cost sharing for those with a primary residence of over \$200,000 or those with cash or cash equivalent assets of \$50,000 or more;

---cap on length of coverage for those not participating in work opportunities and who are able bodied.

----eliminate the 90 day retroactive eligibility

----option to exit the waiver with 30 day notice and
wind down plan; if the match rate is changed