

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

As Engrossed: H3/15/17
A Bill

HOUSE BILL 1954

5 By: Representative Collins
6 By: Senator J. Hendren
7

For An Act To Be Entitled

9 AN ACT TO REQUIRE A PROGRAM SAVINGS PLAN FOR THE
10 MEDICAID PROVIDER-LED ORGANIZED CARE SYSTEM; AND FOR
11 OTHER PURPOSES.
12
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Subtitle

15 TO REQUIRE A PROGRAM SAVINGS PLAN FOR THE
16 MEDICAID PROVIDER-LED ORGANIZED CARE
17 SYSTEM.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. DO NOT CODIFY. Medicaid provider-led organized care
23 implementation and program savings plan.

24 (a)(1) The Department of Human Services shall develop a five-year
25 program savings plan to monitor all Medicaid savings realized by the
26 department, including savings achieved through the delivery of healthcare by
27 risk-based provider organizations within the Arkansas Medicaid Program.

28 (2) The five-year program savings plan shall measure:

29 (A) Increased care management and care coordination;

30 (B) Value-based purchasing strategies;

31 (C) Reductions in duplication of healthcare services;

32 (D) Reductions in delivery of unnecessary healthcare
33 services;

34 (E) The degree of risk assumed by risk-based provider
35 organizations; and

36 (F) The amount of projected savings realized as part of



1 the eight hundred thirty-five million dollars (\$835,000,000) in savings
2 requested by the Governor.

3 (b)(1) On and after September 1, 2017, the department shall report
4 quarterly on the five-year savings plan to the Legislative Council, the
5 Bureau of Legislative Research, and Arkansas Legislative Audit.

6 (2) The initial report shall define projected net savings to the
7 Arkansas Medicaid Program to trend on a quarterly basis to serve as the
8 baseline for measuring the success of implementation and continuing
9 operation, including success attributed to the Medicaid provider-led
10 organized care system.

11 (c)(1) If project savings in an amount less than five percent (5%) of
12 the goal are not achieved during any two (2) consecutive quarters unrelated
13 to nonclaims based performance, the department shall develop additional
14 reforms to achieve the savings goals.

15 (2) If legislative action is required to implement the
16 additional reforms described in subdivision (c)(1) of this section, the
17 department may take the action to the Legislative Council or the Executive
18 Subcommittee of the Legislative Council for immediate action.

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20 /s/Collins

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23 **APPROVED: 04/01/2017**
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