

**JOINT PERFORMANCE REVIEW COMMITTEE  
JULY 26, 2016  
MINUTES**

The Joint Performance Review Committee met at 9:00 a.m. on Tuesday, July 26, 2016 in Room 171, State Capitol, Little Rock, Arkansas.

Committee members present: Senators Alan Clark, Co-Chair, Jane English, Linda Collins-Smith, Terry Rice, and Gary Stubblefield. Representatives Kim Hammer, Co-Chair, Jana Della Rosa, Lance Eads, Kenneth Ferguson, , Mickey Gates, Mary "Prissy" Hickerson, Micah Neal, Milton Nicks, Jr., Chris Richey, Dan Sullivan, John Walker, and Dave Wallace.

Other legislators present: Senators Jimmy Hickey, Eddie Joe Williams , and Jon Woods. Representatives David Branscum, David Hillman, Mark McElroy, Stephen Meeks, Sue Scott, and Marshall Wright.

**Call to Order**

Representative Hammer called the meeting to order.

**Consideration to Approve Minutes – June 14, 2016 [Exhibit C]**

A motion to approve the minutes of the June 14, 2016 JPR Committee meeting was made by Representative Della Rosa and seconded by Representative Gates. The motion carried.

**Review of the interRAI Assessment Instrument System for Evaluating Persons Who Are Disabled, Elderly, or Medically Complex [Exhibit D]**

Brant Fries, President, and Mary James, Fellow, interRAI, University of Michigan Institute of Gerontology, were sworn in under oath by Representative Hammer. Mr. Fries gave a PowerPoint presentation and overview of the interRAI instrument:

- The instrument is a science-driven implementation support with a mission to provide an accurate measurement of a person's health and social characteristics
- Data collected is used to make clinical and policy decisions
- The instrument is compatible with the Centers for Medicare and Medicaid Services (CMS), a nationally mandated tool for implementing standardized nursing home assessments

Mr. Fries described interRAI as a research collaborative with one hundred members in thirty seven nations, a non-profit corporation with interests in science, instrument development, and support implementation. The interRAI holds copyrights on assessment instruments and provides royalty-free licenses to governments and care providers in exchange for de-identified data. Mr. Fries explained the types of information interRAI data provides:

- Benchmarking of programs
- Comparison of programs
- Best practices illustrating a service approach to determine improvements in the health and well-being of participants

Mr. Fries said that Arkansas adopted two of interRAI's assessment instruments, one for the aging population and a second for behavioral health. He referenced a handout with a list of projects performed in Arkansas by interRAI. He highlighted support tools interRAI was contracted to develop for use by Arkansas to screen and identify whether or not individuals receives an appropriate level of care. He said the interRAI instrument provides a database of characteristics of individuals in a program, which can be used for a variety of purposes, such as quality measures of a program and whether or not an individual is receiving enough services. Mr. Fries was asked to prepare a report with the cost associated with each of the items listed on the interRAI handout targeting the projects performed in Arkansas.

Ms. James continued the PowerPoint presentation describing the Arkansas Healthcare system. She said that traditionally government entities utilize a series of systems where individuals travel from one form of care to another. She gave the example of an aging person who receives rehabilitation in a nursing home, home health care, frequent hospitalizations, and primary health care. Ms. James said that interRAI has been researching how to incorporate all of the separate systems into one system. When programs are not coordinated, individuals receive multiple assessments and their individual data does not follow them to their primary care physician or other programs. Ms. James said that interRAI is trying to find measures that are portable across all of the systems to support integrated care.

Kenneth Robinson, President, Pine Bluff Psychological Associates (PAPB), Charlie Green, Director, Behavioral Health Services, DHS, Melissa Stone, Director, Division of Developmental Services, DHS, and Craig Cloud, Director, Division of Aging and Adult Services, DHS, were sworn in under oath by Representative Hammer.

Representative Hammer referenced the interRAI handout listing the history and timeline of all of the Arkansas projects interRAI has been involved in dating back to 2004. He asked that they each discuss what is driving policies and decisions in the state's healthcare system.

Mr. Green said his involvement began in 2011 when he worked for the Arkansas Department of Human Services, Division of Developmental Disabilities (DDS). At that time, DDS was involved in a Medicaid payment improvement initiative for all Medicaid populations when they learned that the Division of Aging and Adult Services had been using interRAI. DHS and DDS believed the interRAI instrument could be used for all of the special needs populations. interRAI was selected to be used to move forward with the Medicaid payment improvement initiatives. Mr. Green said that two years ago, DDS was working on an algorithm to utilize data from the PAPB assessments to assign levels of needs for individuals in home health care or community based services. Subsequently, the Health Reform Legislative Task Force consultants suggested that DHS use different instruments other than interRAI. Mr. Green said the Behavioral Health Services is following the recommendations of the Task Force consultants and are now using different assessment instruments.

Kenneth Robinson was asked to describe the field experience his organization has had using the interRAI tool. Mr. Robinson introduced Renee Harper, Director of Supervision and Training with PAPB. Ms. Harper was sworn in under oath by Representative Hammer. Ms. Harper said the assessors have had good experiences with the assessment tool because the design of the tool allows their staff in the field to assess weaknesses, strengths, preferences, and self-sufficiency of the individuals being assessed. She said there have been good results in the interview process. Ms. Harper believes the assessments have proven successful using an interview style, which makes a person more comfortable during the process. One drawback she observed is maintaining a personal interaction with individuals when entering data into a laptop.

Melissa Stone and Craig Cloud were asked to describe Medicaid payment improvement efforts in their divisions. Ms. Stone explained that a CMS rule adopted in 2008 requires Conflict Free Case Management. One element of the requirement is use of an independent standardized assessment. She said DDS is currently in the process of complying with the requirement and has initiated a Request for Information (RFI).

Legislators asked questions and discussed the healthcare waiver and assessment tools.

- Question- with an assessment tool as a requirement in the healthcare waiver, will DDS have assessments performed at a provider level, or will they be done by an independent third-party vendor, similar to PAPB?
- Answer- Ms. Stone said she recently met with Ken Robinson with PAPB and encouraged him to respond to the RFI, along with other vendors.
- Comment- Craig Cloud told legislators a waiver for the Division of Aging and Adult Services populations was approved on January 1, 2016. The waiver renewal includes independent assessments of the populations served by that waiver with interRAI included to be used to determine level of care needs.
- Question- Does the interRAI have assessment tools for each of the populations served by DHS.
- Answer- Mr. Freis said that interRAI does have the tools to serve all of the populations.
- Question- is DDS seeking one entity or one assessment tool for all of the populations that allows the information to be intermingled together to produce treatment plans?
- Answer- Ms. Stone said that DDS is following the recommendations made by The Stephen Group to the Health Reform Legislative Task Force regarding the use of different tools for behavioral health and developmental disability populations. The focus will be a standardized independent assessment appropriate for each of the populations. Not necessarily one assessment tool.
- Question- will this be administered by a third-party and not the provider rendering the services?
- Answer- Ms. Stone said yes it will be administered by a third-party.
- Question- will DDS continue to work with interRAI?
- Answer- Ms. Stone said not necessarily. DDS has asked through the RFI for a set of tools that has been normed for the specific special needs populations.

## **Brief Review of the Procurement Process for State Agencies in Arkansas**

Ed Armstrong, Administrator, Office of State Procurement (OSP), DF&A was sworn in under oath by Representative Hammer. Mr. Armstrong discussed Act 557 of 2105, which requires state agencies to file Vendor Performance Reports (VPRs) on current contracts. The reports are required to be submitted within three months of the initiation of the contract and every three months thereafter for ongoing contracts. He said that a large number of agencies have been filing the reports but, some agencies have not. Mr. Armstrong told legislators he is unable to give a percentage of the total number of agencies submitting VPRs because the format the data is received in cannot be calculated without each report being reviewed manually. OSP does not have an E-procurement system that can integrate the reports. An integrated system would allow data entry into a portal developed to create a dashboard and allow legislators and citizens to have access to the reports. Legislators discussed penalties, which can be imposed on agencies who fail to comply with the law. Mr. Armstrong believes criminalizing agencies is so harsh it may prove difficult to impose. He suggests the legislature consider authorizing OSP to impose fines on non-compliant agencies.

Representative Hammer recognized Darlene Hicks, Manager, OSP, who told legislators that state agencies, in particular the large agencies, find the VPR reporting process to be extremely cumbersome. She said that agencies have to maintain a large number of contracts and it is extremely time-consuming to manually process the information into two different systems.

Mr. Armstrong was asked if OSP would initiate the development of an E-procurement system to resolve the reporting issues required of the state agencies. Mr. Armstrong said that he and Larry Walther, Director, DF&A have been in discussions and are collecting information related to a E-procurement system and its associated cost.

Larry Walther, Director, DF&A was sworn in under oath. Representative Stephen Meeks asked Mr. Walther if he was aware of the Open Transparency and Data Task Force that has been reviewing these same issues and researching a statewide data warehouse. Representative Meeks noted the focus of the Task Force is to put all data collected into one system, which could be linked for data sharing. Mr. Walther said he has not been involved, but looks forward to working with the Task Force to coordinate the efforts of DF&A. Legislators continued discussion of the VPR reporting process and determined to address the issue again at a future committee meeting. Mr. Armstrong was asked to provide a list of agencies that have and have not produced the VPR reports.

## **Overview of the Project Management Program, Integrated Data System, and Research Services Provided by the Arkansas Research Center (ARC) [Exhibit E]**

Sarah Argue, Deputy Director, and Greg Holland, Director, Arkansas Research Center, were sworn in under oath. Ms. Argue gave a PowerPoint presentation which included an overview of the Arkansas Research Center (ARC) housed at the University of Central Arkansas (UCA) in Conway, Arkansas. Ms. Argue highlighted aspects of the ARC program:

- The program was founded in 2006 through grants provided by the U.S. Department of Education

- The program expanded using grants provided by the U.S. Department of Labor
- The program currently maintains a nationally recognized State Longitudinal Data System (SLDS)
- SLDS data dates back to 2001 and links together pre-K data from DHS, Arkansas Career Education (ACE), and the Arkansas Department of Higher Education (ADHE)
- The SLDS program is nationally recognized by the U.S. Department of Education, Institute of Education Sciences
- The ARC system collects data from two different systems, an education record and a workforce record
- The system splits the records into two different parts
- A knowledge-based identity system takes personally identifiable information and provides research identification
- The data collected is used to maintain an identity management component
- The workforce and education data are never mingled together
- The program is able to use the knowledge-based management identity to link the records together allowing agencies access between the two

Ms. Argue discussed a recommendation made by The Stephen Group to the Health Reform Legislative Task Force suggesting Arkansas replicate a system similar to the National Strategic Planning and Analysis Research Center (nSPARC) housed at Mississippi State University. She compared the two systems and said that ARC has much of the same capacity as nSPARC with differences, which include:

- The nSPARC system was developed ten years ago compared to the ARC system developed in 2009
- The nSPARC system has had \$100 million in contributions and the ARC system has had \$6 million in funding
- The nSPARC system spending exceeds \$15 million annually and the ARC system spending is \$1 million annually

Ms. Argue told legislators the ARC program changed its focus towards workforce data collection when the Arkansas Department of Education (ADE) ended its relationship with the ARC system in 2013. Legislators discussed the decision by ADE and the Arkansas Department of Higher Education (ADHE) to end their work with the ARC. Ms. Argue believes that ADE and the ADHE chose not to participate with ARC based on concerns surrounding the Federal Education Rights and Privacy Act (FERPA). The federal privacy act protects education data outlined in specific language in the Act concerning evaluation and accountability of publicly funded programs.

Shane Broadway, Vice-President for Governmental Relations, Arkansas State University (ASU) was sworn in under oath by Representative Hammer. Mr. Broadway discussed the nSPARC system. He told legislators that he went to Mississippi State University with some of the members of the Health Reform Legislative Task Force to look at the nSPARC system. The review of nSPARC was the result of a report by The Stephen Group to the Health Reform Legislative Task Force. He said the premise of The Stephen's report was the importance of the research program's proximity to a state capitol. Mr. Broadway said the system was developed through federal grants, similar to the ARC system. Software developed by

nSPARC has to be shared without cost because it was developed through federal grants. Mr. Broadway was asked why Arkansas would choose to utilize the ARC system because the nSPARC system has no cost associated with it and it is further ahead in its development. Mr. Broadway said that Arkansas can add additional components to the ARC system. He also said a major part of the design of nSPARC is where it is housed and that it is accessible to state agencies and legislators. The theory is to create a board of all of a state's institutions to utilize the expertise of the faculty from all of the state's universities. Mr. Broadway described how nSPARC works in Mississippi

- State agencies present a problem or make a request for information
- nSPARC sends out a query to all institutions in the state asking their staff, who have expertise in a particular area, to provide an analysis and data

**Discussions of Regulations and Policies – Enforcement of Entertainment Taxes Levied on Gaming Machines by the Alcoholic Beverage Control (ABC) Division, Department of Finance and Administration**

Janet Moore, Chair, Alcohol Beverage Control (ABC) Board, Department of Finance and Administration was sworn in under oath by Senator Clark. Senator Stubblefield discussed an issue that arose several months ago during an appeal hearing by the ABC Board concerning one of his constituents. During the ABC hearing, Senator Stubblefield was denied his request to ask questions. At the request of Senator Stubblefield, a portion of an audio recording of the ABC Board hearing was played. In the audio, Senator Stubblefield can be heard making his request to ask questions. Ms. Moore can be heard denying the request stating that he would not be allowed to do so. Senator Stubblefield said that his attendance at the hearing was based on his belief that there were discrepancies in the case. Legislators discussed the issue in detail and asked questions of Ms. Moore regarding the protocol and processes used by the ABC Board at their hearings.

Senator Clark stated that the issue will be brought back before the Committee at a future meeting, at which time Mr. Bud Roberts, Director of the ABC, and others will be asked to attend. There was continued discussion concerning jurisdiction and authority of the agents of the ABC. Representative Hammer said a request for research will be made to the staff of the Bureau of Legislative Research regarding the issue of jurisdiction of the ABC Board.

There being no further business, the meeting adjourned at 12:30 p.m.