State of Arkansas
Bureau of Legislative Research Services
Oral Presentation: Request for Proposals (RFP) . BLR-150002

Health Care Program Reform/Medicaid Consulting

NAVIGANT
HEALTHCARE

DISPUTES & INVESTIGATIONS • ECONOMICS • FINANCIAL ADVISORY • MANAGEMENT CONSULTING

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Section 1: Our Team

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OUR TEAM

NAVIGANT
HEALTHCARE

INTRODUCTIONS

- Catherine Sreckovich, Navigant Consulting
- Dave Mosley, Navigant Consulting
- Jennifer Hutchins, Navigant Consulting
- Dawn Johnson, Sellers Dorsey
- Ann Rasenberger, Sellers Dorsey

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WHY THE NAVIGANT TEAM?

The Navigant team is the RIGHT choice for Health Care Reform and Medicaid Consulting Services

RIGHT Knowledge + RIGHT Experience + RIGHT Resources = RIGHT Success

NAVIGANT
CONSULTING

sellers dorsey
realize the opportunity.

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WHO WE ARE

Navigant Healthcare has more than 1,300 professionals who assist providers, payers and life sciences companies. Our wealth of knowledge and expertise stems from our collective resources.

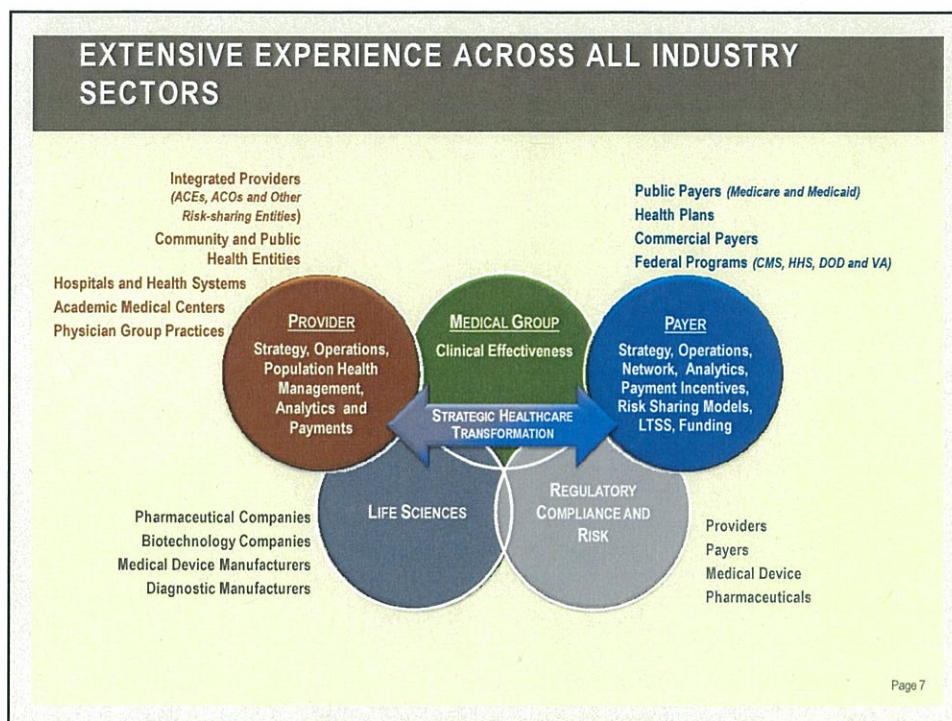**Modern Healthcare**

By The Numbers

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Largest healthcare management consulting firms (1 of 4)

Ranked by total 2012 provider revenue ($ in millions)

Company	Headquarters	Ownership	Total contracts 2012*	Total provider contracts 2012	Total revenue 2012*	Total provider revenue 2012
1 Deloitte Consulting[1]	New York	Private	—	—	$1,707.4	$686.8
2 Advisory Board Co.[2]	Washington	Public	3,600	3,100	450.8	450.8
3 Huron Healthcare	Chicago	Public	1,346	655	410.6	323.6
4 Navigant Consulting [3,4]	Chicago	Public	—	—	214.9	214.9
5 Accenture[5]	Chicago	Public	—	—	804.6	214.3

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EXTENSIVE EXPERIENCE ACROSS ALL INDUSTRY SECTORS

Integrated Providers
(ACEs, ACOs and Other Risk-sharing Entities)
Community and Public Health Entities
Hospitals and Health Systems
Academic Medical Centers
Physician Group Practices

Public Payers *(Medicare and Medicaid)*
Health Plans
Commercial Payers
Federal Programs *(CMS, HHS, DOD and VA)*

PROVIDER
Strategy, Operations, Population Health Management, Analytics and Payments

MEDICAL GROUP
Clinical Effectiveness

PAYER
Strategy, Operations, Network, Analytics, Payment Incentives, Risk Sharing Models, LTSS, Funding

STRATEGIC HEALTHCARE TRANSFORMATION

LIFE SCIENCES

REGULATORY COMPLIANCE AND RISK

Pharmaceutical Companies
Biotechnology Companies
Medical Device Manufacturers
Diagnostic Manufacturers

Providers
Payers
Medical Device
Pharmaceuticals

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NAVIGANT GOVERNMENT HEALTHCARE SOLUTIONS

- **Mission**
  Empower government healthcare leaders to realize success

- **Nationwide Footprint and Experienced Advisors**
  Have consulted to state agencies in more than 40 states
  Tremendous depth and breadth of experience in public and private sectors

- **Soup-to-Nuts Solutions**

  Support through full continuum: from program design, to policy and waiver development, to implementation and procurement, to operations and performance improvement, to review and evaluation

- **GHS Resides Within Navigant's Larger Healthcare Practice**
  More than 450 consultants serving providers, payers and governments across US
  Experience in all 50 states

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INTRODUCING SELLERS DORSEY

Sellers Dorsey is a national healthcare consulting firm that navigates the ever-changing landscape within the public and private sector. Together with its clients, Sellers Dorsey realizes opportunities that enhance the bottom-line and ultimately improve the lives of people.

- Consultants in Medicaid financing, delivery system, payment reform, transformation, health policy, and procurement assistance.

- Seasoned team with in-depth knowledge of Medicaid financing and policy.

- Experience in 30 states designing and negotiating major Medicaid financing and health reforms programs.

- Ability to navigate federal and state policy, politics and industry.

- Strength in collaboration and transparency.

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realize the opportunity.

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BROAD AND DEEP KNOWLEDGE BASE
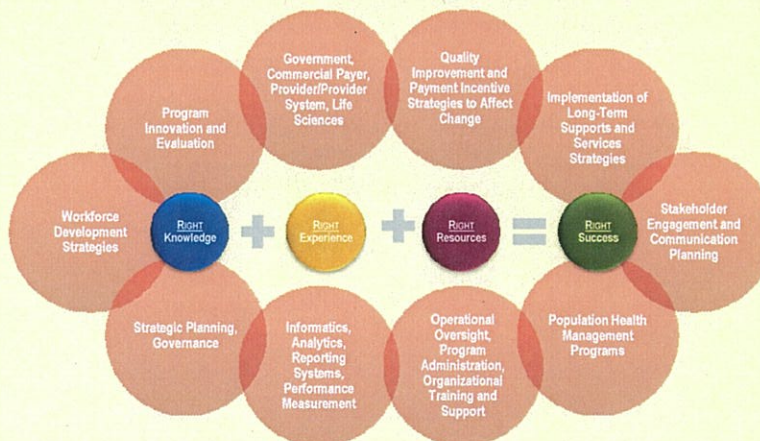
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PROJECT TEAM ORGANIZATIONAL CHART

Our proposed team will be consistently involved throughout the project.

Bureau of Legislative Research

PROJECT LEADERSHIP
Catherine Sreckovich
Dave Mosley

PROJECT DIRECTOR
Jennifer Hutchins

PROJECT MANAGER
Alan Mytty

SUBJECT MATTER EXPERTS
Paul Keckley
Dorothy Moller
Michaelyn Corbett, PhD
Eric Meinkow
Valinda Rutledge
Karen Wagner, RN
Hanford Lin
Dave McMahon, CPA
David Palmer, PhD, Sellers Dorsey
Anne Rasenberger, Sellers Dorsey
Karl Schnur, Sellers Dorsey

TEAM LEADERS
Sara Anderson Ebie, Health Care Independence Program Lead
Jennifer Jordan, Sellers Dorsey, Medicaid Lead

SUPPORT TEAM
Luke Roth
Justin St. Andre
Joshua Hardy
Ren Mullinix
Jack Hillyard, Sellers Dorsey
Pam Coleman, Sellers Dorsey
Kip Piper, Sellers Dorsey

Other Support Staff, as needed
Navigant will assign additional support staff as needed from our Government Healthcare Solutions team as necessary to fulfill the staffing requirements of this contract.

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NAVIGANT'S TEAM IS HIGHLY EXPERIENCED

- Pool of nationwide consultants involved in projects with states, CMS, regional and national payers and provider with extensive knowledge of the national landscape

- Former managed care plan leadership and hospital executives

- Professionals include physicians, psychologists, nurses, economists, bio-statisticians, IT experts, etc.

- Exceptional data analytics

- Former leaders with CMS, and Medicaid CFOs

- Navigant Center for Healthcare Research and Policy Analysis resource

- Designed and implemented reform across states, payors and providers

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PROJECT TEAM: INDUSTRY LEADERS

Figure 3. Navigant Team Skills Matrix

Navigant Team Member	Design / Implement large scale health reform, new delivery /financing models for Medicaid, Medicare, etc.	Program design – LTC, Developmental Disabilities, Mental Health, Children and Youth Services, CHIP, etc.	Multi-payer initiatives, including Medicare and Medicaid	CMS block grants, waivers, grants, SMHP	Federal healthcare regulations – CMS, CHIP, other HHS programs	Data analytics that support decision-making, including quantitative information and qualitative data	Medicaid Eligibility, Medicaid Expansion, Population Demographics	Healthcare Economics and Budgeting	Stakeholder engagement	Health Information Exchange/ Health Information Technology	State-purchased healthcare, FFS, managed care, VBP, P4P, bundled payments, PCMH, ACOs	Quality, performance measurement	Provider Network	Financial models to demonstrate funds-flow	Organizational Assessments	Health Plan Experience	Other Social Services Programs
Project Team																	
Catherine Sreckovich	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Dave Mosley	•	•	•	•	•	•	•	•	•	•	•	•	•			•	•
Jennifer Hutchins	•	•		•	•	•	•	•	•	•	•	•	•			•	•
Alan Mytty	•	•	•	•	•	•		•	•	•	•	•	•			•	
Sara Anderson Ebie	•	•	•	•	•	•				•	•	•			•		•
Jennifer Jordan	•	•			•	•				•	•	•			•		
Luke Roth	•	•	•			•		•	•	•	•						
Justin St. Andre	•					•		•	•	•	•						
Joshua Hardy	•	•			•				•	•	•		•				
Ren Mullinix	•					•				•							
Jack Hillyard	•	•			•			•	•	•					•		
Pam Coleman	•	•			•				•		•			•			
Kip Piper	•	•		•	•			•	•	•		•		•	•		

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Subject Matter Experts																	
Dr. Paul Keckley	•	•	•	•	•	•	•	•	•	•	•		•	•			•
Dorothy Moller	•	•	•	•	•	•	•	•	•	•	•		•	•	•		
Michaelyn Corbett			•					•								•	
Eric Meinkow	•	•	•	•	•	•	•	•		•	•	•	•	•	•	•	•
Valinda Rutledge	•		•			•	•	•	•		•	•	•		•		•
Karen Wagner, RN	•		•			•		•		•	•	•	•		•		
Hanford Lin	•		•	•	•	•			•	•	•	•			•		
Dave McMahon	•		•	•	•			•			•	•		•	•		
David Palmer, PhD	•			•				•			•			•			
Ann Rasenberger		•	•	•	•	•	•				•	•	•	•	•		
Karl Schnur										•					•		

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KEY DIFFERENTIATORS

Program Implementation Success!

- We are Strategic Thinkers AND Strategic Doers
- We Have Established Credibility and Trust (CMS, State Agencies, Providers and Health Systems, Commercial Payers, Medicaid and Medicare Plans, ACEs, ACOs, Associations, Foundations, and Other Entities)
- We Have Unmatched Subject Matter, Program Design, Program Oversight and Evaluation Expertise
- We Have Tremendously Broad and Deep Resource Capacity to Ensure Success
- We Have Years of Experience with Sellers Dorsey Team Members

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OUR SERVICE STRATEGY
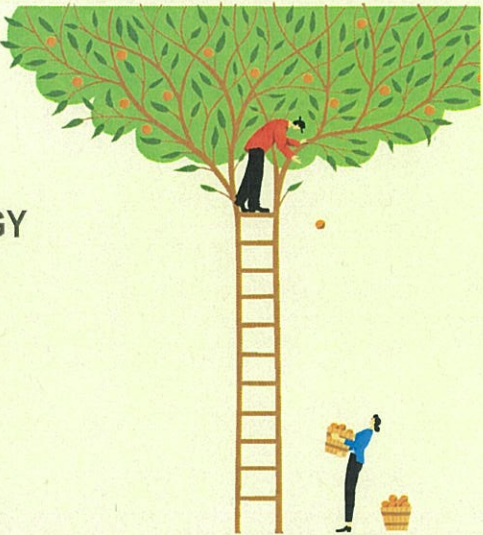
NAVIGANT
HEALTHCARE

OUR SERVICE STRATEGY

» Bring real-time, real-life knowledge from experts on national Medicaid and commercial healthcare service trends to advise and support Arkansas for Health Care Program Reform and Health Insurance for the Medicaid expansion population.

» Offer a fresh, new perspective while maintaining a force of continuity as Arkansas faces the potential implementation of major state healthcare reforms.

» Bring deep understanding and experience with the State of Arkansas, large scale health reform initiatives, the private insurance market and the Marketplace.

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OUR SERVICE STRATEGY

» Bring extensive experience participating in discussions with CMS with or on the behalf states to propose innovative approaches to program design or to facilitate CMS review and approval of a State Plan Amendment or waiver request.

» Navigant's Center for Healthcare Research and Policy Analysis focuses on trends and issues relevant to major industry sectors. The Center's role is to monitor the market, identify innovative solutions and facilitate implementation in this fast-changing environment.

» We are partners, not just advisors. We do not simply develop strategies and reports– we provide actionable guidance, then we help our clients to implement those recommendations, operate their programs and build their staff capacity and capabilities.

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WHY IS THIS IMPORTANT NOW?

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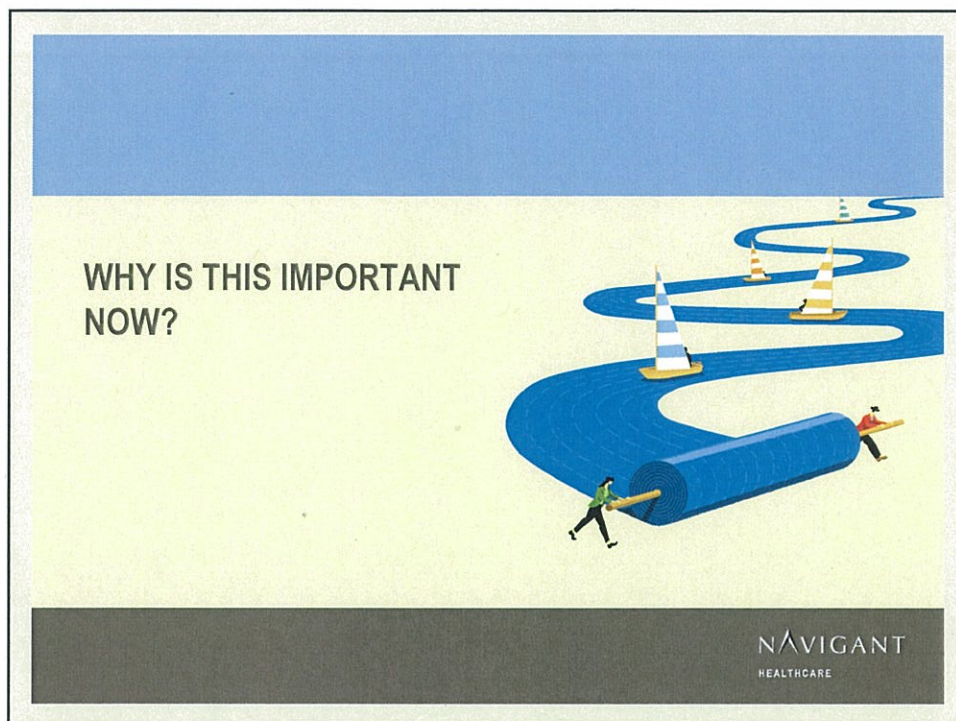
ARKANSAS IS A NATIONAL LEADER

» Arkansas has been at the forefront of designing unique and innovative payment reforms and program transformation

› Arkansas Health Care Payment Improvement Initiative: Includes patient-centered medical homes (PCMHs), Health Homes and payment and delivery models based on episodes of care.

› CMS approval to implement the 1115 Demonstration, Health Care Independence Program (private option)

› CMS approval to amend the current 1115 Demonstration, requiring new cost sharing requirements for beneficiaries over 50 percent of the FPL to increase accountability, personal responsibility and transparency

› Community First Choice Options (CFCO) waiver program to provide a specific home and community-based services and supports to people with intellectual disabilities, developmental disabilities, physical disabilities, age-related disabilities and behavioral health needs

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MEDICAID EXPANSION DECISIONS BY STATE

Key:
- 22 states are not expanding Medicaid
- 29 states (count includes the District of Columbia) are expanding Medicaid
- 6 states are expanding Medicaid, but using an alternative to traditional expansion
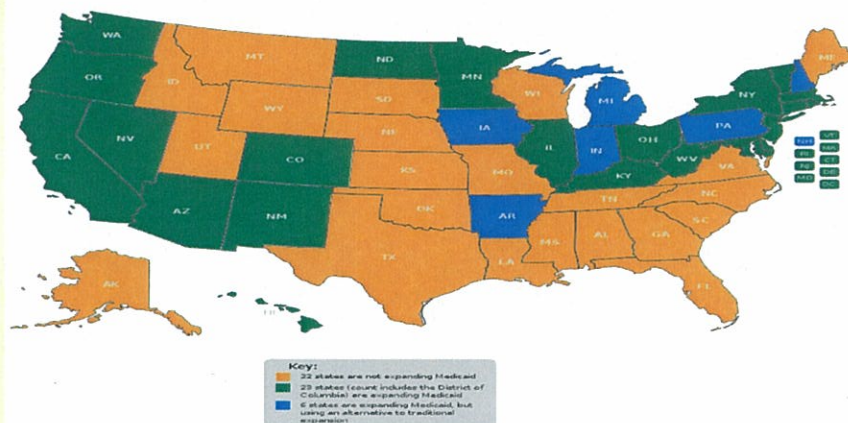
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EXAMPLES OF ALTERNATIVES TO TRADITIONAL EXPANSIONS

Iowa Health and Wellness Plan	Healthy Indiana Plan (HIP) 2.0	Healthy Michigan Program	Pennsylvania	New Hampshire
Two 1115 demonstrations, the Iowa Marketplace Choice Plan and the Iowa Wellness Plan	An 1115 demonstration to expand the state's HIP to provide coverage to non-disabled individuals ages 19 to 64 with incomes up to 138 percent FPL	An 1115 demonstration to expand Medicaid coverage to individuals ages 19 to 64 with incomes up to 138 percent FPL	Expanded Medicaid through an 1115 waiver, with coverage beginning January 1, 2015	Implemented Medicaid expansion through a SPA with coverage through existing Medicaid managed care plans

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COMMON RISKS OF IMPLEMENTING NEW INNOVATIONS

Developing models and formulas in uncharted territories

Using best available data

- Data may have not been verified and may be incomplete

Requires anticipating member behavior

- Behavior assumptions may not be correct

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INNOVATION REQUIRES CONTINUOUS MONITORING

Is the uninsured rate dropping as expected?

What is the acuity level of the newly insured population?

How are new beneficiaries consuming services?

What is the current financial impact of the program?

How do current trends indicate future impact and ROI?

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COMPREHENSIVE ASSESSMENT FOR INFORMED DECISION MAKING

What areas warrant immediate changes to accommodate for actual versus anticipated?

Do the results and anticipated trajectories parallel the objectives and resources of the current Legislature and Governor?

How does Arkansas's program compare to other innovative and/or traditional programs?

How might Arkansas make programmatic adjustments to benefit from internal/external lessons learned?

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OUR APPROACH

NAVIGANT
HEALTHCARE

KICK-OFF AND PROJECT MANAGEMENT

Kickoff Meeting
- Discuss and anticipate project challenges, request existing state resources
- Develop goals, methods, objectives and Implementation Plan framework

Implementation Plan
- Aligns work streams with needs and objectives of the Task Force
- Routine monitoring of progress, collection of team input on task progress
- Develop, refine, and finalize Implementation Plan deliverable

Project Management and Status Reports
- Establish schedules, deadlines, and logistics of iterative team communication
- Weekly conference calls for progress updates and project challenges
- Create mitigation strategies for identified risks
- Monthly status report meetings sharing preliminary findings, responding to Task Force questions, and discussing key issues

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KICK-OFF AND PROJECT MANAGEMENT

Data Request Processes and Submissions
- Discuss data availability and formulate process for accessing data
- Identify and determine reliability and appropriateness of various data sources

Deliverable Submissions
- Work with State's Contract Manager to confirm content, format and timelines
- Develop deliverable document outlines throughout project with continuous client feedback incorporated
- Build deliverable schedule to accommodate multiple party reviews

Continuous Quality Review
- Internal control processes minimize errors using quality, validity, and completeness checks on all data
- Reasonableness checks comparing current data to historical State data, industry standards, other states' data and peer-reviewed quality control processes

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MONTHLY STATUS REPORTS TO THE TASK FORCE

» Share preliminary findings from our research and analysis

» Discuss issues that are relevant to our findings

» Respond to Task Force questions and obtain additional information from Task Force members on their thoughts about the preliminary findings to date

» Communicate Project Plan status

» Identify risks and vet mitigation strategies

» Review upcoming tasks and gather additional information and input for follow-up and other information requested by the Task Force

» Provide status reports using an agreed upon format

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NAVIGANT PROJECT IMPLEMENTATION PLAN

Note: The tasks and timeframes identified in the project plan below are estimates only based on the information provided in the RFP and Navigant's experience. If awarded the contract, Navigant will work with BLR and the Task Force to update the project plan as needed.

Tasks	May 16-31	Jun 1-15	Jun 16-30	Jul 1-15	Jul 16-31	Aug 1-15	Aug 16-30	Sep 1-15	Sep 16-31	Oct 1-15	Oct 16-31	Nov 1-15	Nov 16-30	Dec 1-15	Dec 16-31	2016 Jan Feb	Mar Apr	May Jun	Jul Aug	Sep Oct	Nov Dec
Key Dates																					
Navigant's final report due to Task Force (TF)									★												
Arkansas Health Reform Legislative Task Force 2015 Report to Governor/General Assembly Due													Ω								
Arkansas Health Reform Legislative Task Force 2016 Report to Governor/General Assembly Due																					Ω
Project Management																					
1.1 Conduct Kick-Off meeting	■																				
1.2 Update Implementation Plan; submit to Contract Manager for approval		★	★	★	★	★	★	★	★												
1.3 Establish Communication structure		★																			
1.4 Attend monthly TF meetings			★		★		★		★												
1.5 Provide ad hoc technical assistance to TF					■	■	■	■	■												
Finalize the Evaluation and Data Analysis Plan																					
2.1 Develop Data Analysis Plan		■	★																		
Collect Data and Documents and Conduct Data Analysis																					
3.1 Finalize data request			★																		
3.2 Log receipt of data and documents/data requests				★																	
3.3 Document data and document not received				★																	
3.4 Conduct Data Analysis		■	■	■	■	■	■														
3.5 Review list of data sources		■	■	■	■	■	■														
3.6 Analyze data and information provided in concert with available Navigant data resources		■	■	■	■	■	■														
3.7 Conduct Analyses to Inform Policy Options		■	■	■	■	■	■														
Develop Recommendations for an Alternative Healthcare Coverage Model and Other Examinations and Analyses																					
4.1 Consult with internal Subject Matter Experts		■	■	■	■	■	■														
4.2 Conduct research and analysis		■	■	■	■	■	■														
4.3 Synthesize findings to incorporate in final report				■	■	■	■														

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Key Dates																					
Medicaid Modernization																					
5.1 Conduct Interviews	■	■																			
5.2 Assess Current Medicaid Performance Across Audit Areas	■	■	■	■	■	■															
Review sample eligibility files																					
Review MMIS reporting																					
Conduct claims data analysis																					
Review vendor contracts																					
Review documentation of legislative review and approval process																					
5.3 Identify States to Study for Administration Comparison	■	■																			
5.4 Conduct Literature Review			■	■																	
5.5 Conduct State Comparison Outreach			■	■	■	■															
5.6 Develop Recommendations for Modernizing Medicaid					■	■	■														
Examine Roles of Other State Agencies																					
6.1 Identify interviewees	■	■	■	★	★																
6.2 Develop interview questions	■	■	★	■	■																
6.3 Conduct stakeholder interviews				■	■																
6.4 Develop summary findings for inclusion in report						■	■														
Preparation of Report																					
7.1 Submit draft report and conduct detailed walk through of the Report						★															
7.2 Finalize report for submission no later than October 1, 2015									★												
Provide Cost Analysis																					
8.1 Develop specific cost analysis requirements					■																
8.2 Conduct cost analysis								■	■												
8.3 Summarize cost analysis in brief report									■												
8.4 Review findings with TF+B4									★												

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RECOMMENDATIONS FOR AN ALTERNATIVE HEALTHCARE COVERAGE MODEL AND MEDICAID MODERNIZATION

Conduct data analysis

Review agency services and interview individuals within each agency to gain their perspective

Collaborate with Arkansas

Draw from Navigant Subject Matter Experts

Conduct supplemental national research
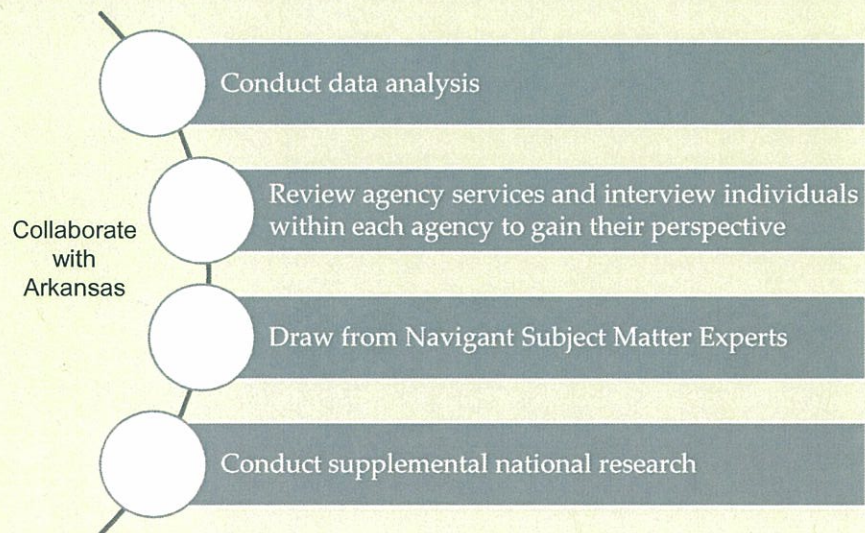
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EVALUATION AND DATA ANALYSIS PLAN

Proposed Plan

- Outlines categories of data analysis, research questions, data sources

- Amend Plan based on available state-identified resources

- Explains potential challenges, operating assumptions, methodologies used

Risks and Refinement

- Innovative practices in AR present risks - predicated on untested assumptions

- Navigant evaluates efficacy and accuracy of each innovation and its supporting data

- Options for refinement and transition discussed through iterative process

Capabilities and Deliverables

- Leverage access to broad range of project consulting experiences, research capabilities, and data sources

- Final report incorporates Task Force feedback, research questions, and findings from each analysis

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DATA COLLECTION AND ANALYSIS

Data Collection Process

Request for State data, documents and other sources of information	
Use with data and analytical tools owned by Navigant	Scan of other studies, reports and initiatives across nation

Verify methodology employed in compiling data in preliminary review	
Check accuracy of data and document methodology in final report	Assessment of underlying methodology of any outside data

Catalogue received resources	
Match received resources to requests; identify gaps in data and documents in an initial report	Weekly updates to State's Contract Manager on status of collection, outstanding items, and risk mitigation

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DATA COLLECTION AND ANALYSIS

After clarification of any data issues, data analysis conducted for each of the data items in the Data Analysis Plan through parallel processes

Primary Data Analysis	Secondary Data Analysis
• Abstraction of Medicaid claims data; or • Random sample of eligibility files for Medicaid eligibility verification	• Understanding trends presented in MMIS standards • Ad hoc reporting

Inform the analysis of various areas of the Medicaid program

Current state of health care programs in the State of Arkansas	Recommendations for alternatives to the current programs	Options for modernizing Medicaid programs serving the indigent, aged, and disabled

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NATIONAL SCAN

Develop Study Questions
- What innovative public and private sector programs exist that may be a model for Arkansas to consider?
- What populations are served?
- How are services delivered and their impact documented and measured?
- How successful has the program been in improving quality of care and access to services?
- Has the program been cost-effective?

Identify States to Study
- Other states, private and public exchanges, Medicaid managed care plans
- Other Medicaid and Medicaid expansion or similar programs with characteristics similar to Arkansas and/or with known initiatives
- States where we have project specific knowledge of innovations
- States where we have other industry knowledge of their initiatives that may be of relevance
- Additional states identified during literature reviews as having relevant initiatives

Conduct literature reviews
- Obtain and analyze publicly available information through a website or State contact
- Use internal Research Group to access a variety of databases, such as LexisNexis

Conduct State Surveys
- Identify states where additional information is needed to supplement publicly available information
- Develop survey questions
- Conduct phone interviews or email survey questions based on state preference
- Use our industry knowledge and contacts with respect to relevant Medicaid and health reform initiatives

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EXAMINE THE ROLES OF OTHER STATE AGENCIES

» Agencies outside of Medicaid impact the patient population under both the Health Care Independence Program and traditional Medicaid for example:
  › Division of Aging an Adult Services
  › Division of Developmental Disabilities Services
  › Division of Behavioral Services
  › Division of Children and Family Services

» We will work with the State to identify all agencies that impact the patient populations under the Health Care Independence Program and traditional Medicaid

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PROPOSED EVALUATION TOPICS AND ANALYSES FOR ALTERNATIVE HEALTHCARE COVERAGE MODEL

Eligible Populations	• What are the specific characteristics of the newly eligible and populations previously eligible for Medicaid? • What are the characteristics of the population(s) that has still failed to enroll? • How has enrollment changed in 2015 compared to 2014?
Resources and funding	• What are sources of revenue (Federal vs. State)? • What are the current costs and revenues of HCIP? • What is the potential return on investment (ROI), net of transition costs, attributable to alternative approaches?
Verification of Medicaid eligibility	• Are all individuals in the eligibility files currently on the Medicaid rolls? • Do all individuals meet eligibility criteria?

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PROPOSED EVALUATION TOPICS AND ANALYSES FOR ALTERNATIVE HEALTHCARE COVERAGE MODEL

Preserve access to quality	• Could the use of telemedicine improve access? • What have other states done to promote access to care for Medicaid expansion population? • Comparison of HCIP and Medicaid provider networks.
Health care needs and relevant characteristics	• Are populations that are serviced by the HCIP utilizing services (by type, frequency, and duration) in a manner commensurate with the expectations of those that created the original models for the program?
Economic Impact of HCIP	• What are the implicit and explicit values (in dollars by industry) of non-State dollars attributable to HCIP, spend at the local level, total gross output, value added, earnings, and employment in the State?

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PROPOSED EVALUATION TOPICS AND ANALYSES FOR ALTERNATIVE HEALTHCARE COVERAGE MODEL

Descriptions and comparisons of other states' plans	• Could the use of telemedicine improve access? • What have other states done to promote access to care for Medicaid expansion population? • Comparison of HCIP and Medicaid provider networks
Impact on retention of physicians and other ancillary health care providers	• Has provider network capacity increased with HCIP implementation? • What provider incentives exist with HCIP? • What are the trends in healthcare provider salaries and wages?
Impact of HCIP on hospitals	• Have uncompensated care amounts decreased? • Has the distribution of DSH payments changed? • Are trends reported by the American Hospital Association relating to a precipitous increase in hospital bad debt attributable to populations in health insurance exchanges correct?

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PROPOSED EVALUATION TOPICS AND ANALYSES FOR ALTERNATIVE HEALTHCARE COVERAGE MODEL

Short and long term impacts of the use of premium assistance	• What have been the immediate impacts of implementing the HCIP on the marketplace? • What will the long-term impacts be on the marketplace? • What are the premium amounts for the existing HCIP plans?
Review Medicaid service trends	• How many services are provided per enrolled individual? • What are the trends in program expenditures? • What is the utilization for each provider and provider category for each service? • What is the utilization and cost of prescription medication

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PROPOSED EVALUATION TOPICS AND ANALYSES FOR ALTERNATIVE HEALTHCARE COVERAGE MODEL

Medicaid utilization and cost of prescription medications	• What is the utilization and cost of each class of prescription medications? • How does the utilization and cost compare for the prescription medications on the preferred drug list as opposed to those that are not?
Provider performance	• Does the performance of providers seem appropriate? • Does there appear to be fraud and abuse by a particular provider? • Is there adequate documentation of provided services? • Is the State's surveillance and utilization review system (SURS) adequately monitoring service utilization?

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PROPOSED EVALUATION TOPICS AND ANALYSES FOR ALTERNATIVE HEALTHCARE COVERAGE MODEL

| Case management tracking across social services programs	• Is CURAM the only case management tracking system being used by Arkansas social services programs? • Does the case management tracking system adequately provide services for beneficiaries across Medicaid, TANF, SNAP and the private option?
Opportunities to improve administrative efficiencies of Medicaid contracts	• Do any state contracts overlap in services? • Are there multiple contracts for similar services? • Do any services provided by contracted vendors duplicate activities completed by state staff?

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MEDICAID MODERNIZATION RECOMMENDATIONS

Medicaid Program Benefit Expenditures, SFY 2014

$372,344,9
25 7%

$837,329,2
00 16%

$3,912,575,
163 77%
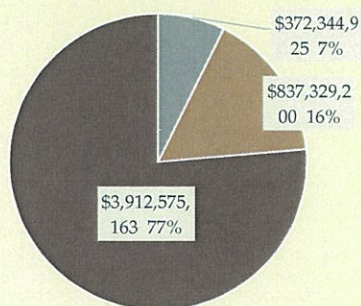
■ Drugs ■ Long Term Care ■ Hosptial/Medical

Task Objective:
- Understand key expenditure trends
- Assess current program operations
- Recommend cost-effective solutions to modernize the program and improve program performance

Source: DHS Arkansas Medicaid Overview SFYs 2010-2014

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MODERNIZING MEDICAID: REVIEWING OPERATIONS AND DEVELOPING RECOMMENDATIONS

Medicaid Eligibility	• Are all individuals in eligibility files currently on Medicaid roll? • Do enrollees meet eligibility requirements?
Medicaid Service Trends	• What are the trends in program expenditure? • Are there opportunities to improve the value of services?
Provider Performance	• Does provider performance appear to be appropriate? • Is there appropriate oversight of provider performance and service utilization?

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MODERNIZING MEDICAID: REVIEWING OPERATIONS AND DEVELOPING RECOMMENDATIONS

Pharmacy Utilization	• Are there emerging trends in current drug utilization? • Are there opportunities to increase the value of pharmacy expenditures?
Case Management	• Does the current case management tracking system adequately meet Arkansas's needs?
Contract Management	• Are current contracts administered effectively? • Is there an opportunity to consolidate contracts and streamline administration?

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REVIEWING OPERATIONS AND DEVELOPING RECOMMENDATIONS

Comparison of AR Medicaid Administration to Other States	• How do states with innovative program models administer their programs? • What recommendations can be developed based on best practices from other states?
Block Grants and Other Waivers	• What block grants and global budget options are available to states? • What are the benefits and challenges for implementing block grants and global budgets?
Legislative Review and Approval Process	• What are the limitations of the current legislative review process? • What changes can be made to streamline the current process?

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CONSIDER POTENTIAL CHALLENGES AND STRATEGIES FOR RECOMMENDED REFORMS

POTENTIAL CHALLENGES	STRATEGIES
Too much complexity	• Find overlapping commonalities for combining efforts • Priority setting • Simplify where possible
Choosing the right programs to build from	• Begin with the end in mind • Overlap and commonalities • Natural evolution (what can spawn something else) • Availability and timing of funding • Biggest, visible ROI • Best chance of success
Interagency coordination	• Continuous feedback and communication loops • Agreed on decision making approach • Executive branch leadership
Stakeholder engagement and support	• Obtaining input • Obtaining the right facts and information • Consistent and reliable communication • Continuous feedback and communication • Choosing the right representatives
Pace of change/reform	• Realistic deadlines and willingness to revise if needed • Constant scanning and analysis of political, technology, regulatory and industry environment • Vigilant communication with government decision makers
Funding	• Sufficiency (adequate funding justification, other federal and state funding) • Simple and related allocation formulas • Clear communication of conditions/expectations
Regulatory Obstacles	• Early and clear understanding of regulatory landscape • Early recognition of and preemptive dialogue with regulators • Legal transparency

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