

State of Arkansas  
91st General Assembly  
Regular Session, 2017

# A Bill

HOUSE BILL 1954

By: Representative Collins  
By: Senator J. Hendren

## For An Act To Be Entitled

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

## Subtitle

TO REQUIRE A PROGRAM SAVINGS PLAN FOR THE  
MEDICAID PROVIDER-LED ORGANIZED CARE  
SYSTEM.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. DO NOT CODIFY. Medicaid provider-led organized care  
implementation and program savings plan.

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

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

(A) Increased care management and care coordination;

(B) Value-based purchasing strategies;

(C) Reductions in duplication of healthcare services;

(D) Reductions in delivery of unnecessary healthcare  
services;

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

(F) The amount of project savings as part of the eight



1 hundred thirty-five million dollars (\$835,000,000) in savings requested by  
2 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 operation  
9 of the Medicaid provider-led organized care system.

10 (c)(1) If the projected savings are not achieved during any quarter of  
11 from 2017 to 2023, the department shall develop additional reforms within  
12 sixty (60) days to achieve the savings goals.

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