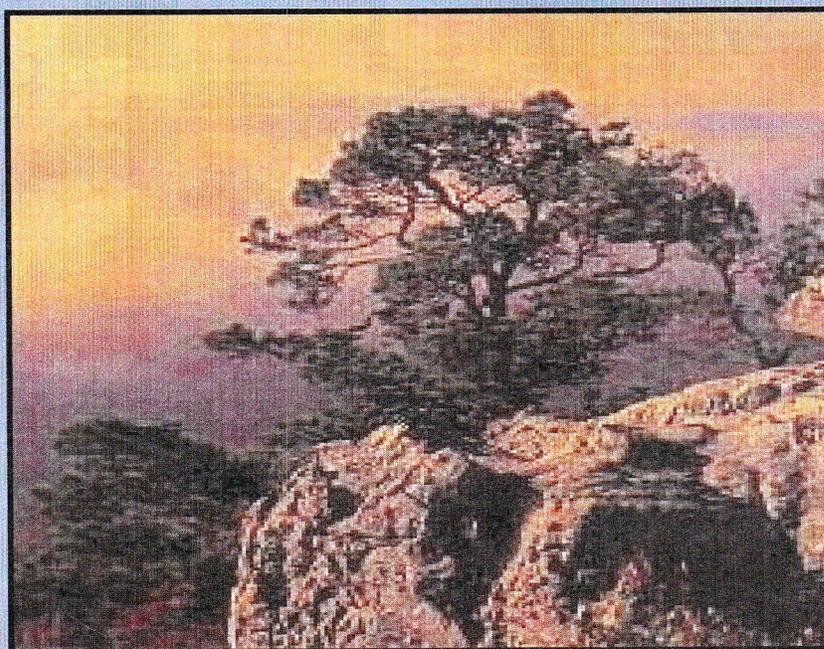


# ARKANSAS MEDICAID PROGRAM OVERVIEW



Department of Human Services  
Division of Medical Services



*Lee Frazier, Director  
Department of Human Services*

*Ray Hanley, Director  
Division of Medical Services*

## **Disclaimer**

February 8, 2013

The following Medicaid Program Overview booklet, along with similar booklets for other years, was discovered in late 2012 during the scanning of all Medicaid files and disposal of all physical copies of files that had been kept beyond the number of years required by law. There was only a single Medicaid Program Overview booklet found for SFY 1997. It contains some duplication of similar information, some of which also appears to have been updated and/or marked for further editing. It is therefore likely that some of the information may be erroneous, and Medicaid makes no assertions regarding its accuracy. However, since it's the only information of its kind available, it has been saved for permanent electronic archiving to assist in future analysis and understanding of the history of Arkansas' Medicaid program.

*Chuck Shelnett  
Accounting Coordinator  
Program and Administrative Support  
DHS - Division of Medical Services*

## Medicaid Program Overview

***The Medicaid Program is a joint federal-state program that provides for necessary medical services to eligible persons who would not be able to pay for such services.***

### ***Legal Structure and History***

- Title XIX of the Social Security Act created grant programs popularly called “Medicaid” in 1965.
  - Medicaid enables the provision of medical assistance to families with dependent children and to the aged, blind or permanently and totally disabled, the Medically Needy, and children under 18 whose income and resources are insufficient to meet the costs of necessary medical services.
  - Medicaid enables the provision of rehabilitation and other services to help these families and individuals attain or retain the capability for independence or self-care.
- Section 7 of Arkansas Act 280 (1939) and Act 416 (1977) give authority to the State of Arkansas to establish and maintain a medical care program for the indigent.
  - The Department of Human Services is given authority to set forth and administer the rules and regulations necessary to carry out such a program.

### ***Administration***

- Arkansas Medicaid was implemented on January 1, 1970.
  - DHS administers the Medicaid Program through the Division of Medical Services (DMS). In addition to Medicaid, DMS consists of Children’s Medical Services and the Office of Long Term Care.
  - The program is described in detail in the Arkansas Medicaid State Plan and through forty different provider manuals.
- The Health Care Financing Administration (HCFA) administers the Medicaid program for the federal government. HCFA provides federal funding and approves the state plan, ensuring compliance with extensive federal regulations.
- Funding for Arkansas Medicaid Program
  - Program costs are funded approximately 74% by federal grant and approximately 26% by state matching funds provided through directly appropriated state general revenues, license fees, rebates, recoveries and the Medicaid Trust Fund.
  - Administration costs are funded at a 50% rate, with some specialized enhancements funded with 90% federal funds. Administration costs for Arkansas Medicaid as a percentage of the total costs for Arkansas Medicaid are at a low 3.9%, compared to 5% for the national average and 10% to 20% for the average private insurance company.
- Recipient eligibility is very narrow and is determined by the DHS Division of County Operations or District Social Security Offices.
- Services provided by private and public providers are in two categories.
  - Mandatory Services are those required by the federal government.
  - Optional services are those that the state has chosen to provide. Many of these services allow for recipients to receive care in less costly home or community-based settings. Optional services are approved in advance by HCFA and are funded at the same level as mandatory services.

### *Funding*

- Funding is shared between the federal government and the states, with the federal government matching the state share at an authorized rate between 50 and 90 percent, depending on the program. The federal participation rate is adjusted each year to compensate for changes in the per capita income of each state relative to the nation as a whole.
- Arkansas funds approximately 27% of Arkansas Medicaid program costs; the federal government funds approximately 73%. State funds are drawn from directly appropriated state general revenues, license fees, rebates, recoveries and the Medicaid Trust Fund.
- Administrative costs for Arkansas Medicaid are generally funded 50% by Arkansas and 50% by the federal government; some specialized enhancements are funded 90% by the federal government. Administrative costs as a percentage of the total costs for Arkansas Medicaid hover around 4%, compared to the national average of 5% and the private insurance industry average of 10-20%.

### *Services*

Services may be rendered by both private and public providers.

Mandatory Services are required by the federal government.

Optional Services are those which the state has elected to provide. Many of these optional services enable recipients to receive care in less costly home or community based settings. Optional services are approved in advance by HCFA and are funded at the same level as mandatory services.

### *Freedom of Choice Waivers*

- The Primary Care Physician Program has been operational since February 1994. Under this program, which promotes coordinated care, Medicaid recipients must select a primary care physician (PCP).
- The Family Planning Services Waiver was implemented in September 1997. Under this waiver, services may be provided to women of childbearing age who have a family income at or below 133% of the federal poverty level.
- The ARKids First Waiver was implemented in September 1997. Under this waiver, services may be provided to children age 18 and younger whose family incomes are at or below 200% of the federal poverty level. The waiver includes provisions for copayments and coinsurance.

# ARKANSAS MEDICAID

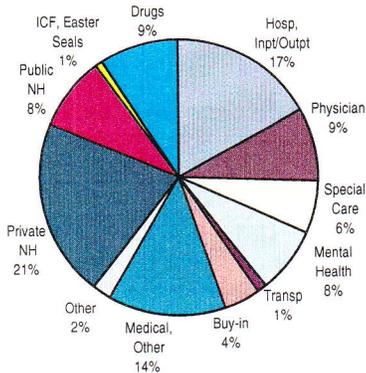
## Program Costs

SFY	Total (in mill)	Unduplicated Recipients	Average Cost
1991	\$705	299,057	\$2,357
1992	\$910	311,015	\$2,926
1993	\$1,027	341,786	\$3,005
1994	\$1,092	342,264	\$3,191
1995	\$1,204	349,072	\$3,449
1996	\$1,284	365,650	\$3,512
1997	\$1,347	363,881	\$3,702
1998 (Proj)	\$1,440	421,000	\$3,420
1999 (Proj)	\$1,530	439,267	\$3,483

Recip and cost projections for SFY98 & SFY99 include ARKids First

**16,203,932 claims processed in SFY97**  
Average processing time was 3 days

## EXPENDITURES, SFY97



Special Care includes Home Health, Private Duty Nursing, Personal Care and Hospice Services

Transportation includes emergency and non-emergency

Other includes administrative expenditures, Medicare co-pay and deductibles, and other adjustments

Average cost per prescription in SFY97 was \$32.17

## Arkansas Economics (SFY97):

Arkansas Medical Economy	\$7.5 billion	Medicaid represents 18.5%
State of Arkansas Budget (est)	\$10.1 billion	Medicaid represents 13.7%
State General Revenue Funded Budget (includes trust fund)	\$2.7 billion	Medicaid represents 13.8%

## Arkansas Population (as of 7-1-95)

Age Group	Population	% population served by Medicaid
All Ages	2,483,769	15%
Elderly 65+	359,274	19%
Adult 21-64	1,364,975	8%
Children U-21	759,520	26%

Population figures are estimates from U.S. Bureau of the Census

Provider Communications handles almost 95,000 telephone inquiries annually

Medicaid has over  
**16,000 Enrolled Providers;**  
7,000 are ACTIVE Providers

## Eligibles by Age and Vendor Payments, SFY97

	SFY97 Eligibles	\$ (in mill) Vendor Pay	Avg Pay Per Elig
Under 1	17,176	\$54.5	\$3,173
1-5 yrs	71,196	\$119.5	\$1,678
6-14 yrs	79,037	\$118.2	\$1,496
15-20 yrs	34,681	\$89.9	\$2,592
21-44 yrs	75,130	\$246.2	\$3,277
45-64 yrs	34,707	\$173.9	\$5,011
65-75 yrs	24,547	\$95.3	\$3,882
75-84 yrs	24,667	\$159.3	\$6,458
85 & over	18,507	\$181.3	\$9,796
<b>Total</b>	<b>379,648</b>	<b>\$1,238.1</b>	<b>\$3,261</b>

## SFY98 Medicaid Operating Budget (mill)

General Revenue	\$288.3
Other Revenue	\$47.5
Trust Fund	\$53.7
Federal Revenue	\$1,050.4
<b>Total Program</b>	<b>\$1,439.9</b>

Every state program dollar is matched with approximately three federal dollars.

## Medicaid Trust Fund Analysis (mill)

SFY98 Est Receipts	\$39.7
SFY97 Carryover Available	\$19.1
SFY98 Est Needed	\$58.8
<b>SFY98 Est Carryover</b>	<b>\$5.1</b>

## Expanded Medicaid Coverage for Children through age 18:

### ARKids First

Program will cover children with family income up to 200% of federal poverty level  
Projected participants, SFY98 - 36,690  
Projected participants, SFY99 - 45,157  
Program to begin September 1997

**76% of all Nursing Home Residents are Medicaid Eligible**

**46% of all babies born to Arkansas residents are paid for by Medicaid**

## Arkansas Medicaid Covered Services:

Child Health Services (EPSDT- Early and Periodic Screening, Diagnosis and Treatment), Family Planning, Federally Qualified Health Centers, Home Health, Hospital - Inpatient and Outpatient, Lab & X-ray, Nursing Facility, Nurse Midwife, Nurse Practitioner, Physician, Rural Health Clinics, Ambulatory Surgical Center, Audiology, Certified Registered Nurse Anesthetist, Chiropractor, Dental, Developmental Day Treatment Clinic Services, Durable Medical Equipment, ElderChoices, End Stage Renal Disease Services, Hospice, Hyperalimentation, Inpatient Psychiatric, Inpatient Rehabilitative Hospital, Intermediate Care Facility for Mentally Retarded, Medical Supplies, Occupational/Physical/Speech Therapies, Orthotic Appliances, Prosthetic Devices, Personal Care, Podiatry, Portable X-ray, Prescription Drugs, Private Duty Nursing, Psychology Services, Rehabilitative Services for Persons with Mental Illness and/or Physical Disabilities, Respiratory Care, Targeted Case Management, Transportation, Ventilator Equipment, Vision Services

**Benefit limits apply - exceptions based on medical necessity**

## INITIATIVES

### Primary Care Case Management Waiver

Creates a Medical Home for Medicaid Recipients  
Statewide, Mandatory Enrollment  
180,000 Eligible Recipients  
Arkansas Physicians have agreed to care for 1.1 million patients

### Elder Choices

Stabilizes nursing home population

### Nursing Home Rates

Acuity Based Rate Methodology

### AEVCS

Award Winning Electronic Claims System

### Photo Identification

Computerized recipient information

### Family Planning Waiver

Will cover all women up to 133% of poverty

### Transportation Waiver

Will regionalize Transportation Dispatching and Service

# ARKANSAS MEDICAID

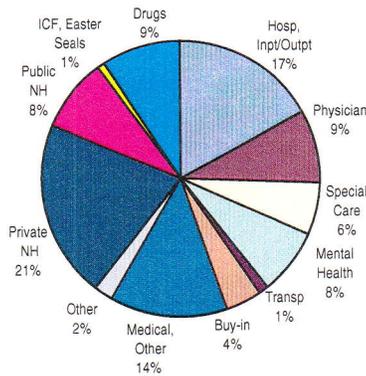
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### Photo Identification

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### Family Planning Waiver

Covers women of childbearing years up to 133% of federal poverty level

### Transportation Waiver

Will regionalize Transportation Dispatching and Service

## Medicaid Program Background

*Medicaid is a joint federal-state program of medical assistance for eligible individuals based on financial need and/or health status.*

### *Legal Structure and History*

- Title XIX of the Social Security Act created grant programs popularly called “Medicaid” in 1965.

Medicaid enables the provision of medical assistance to families with dependent children, to individuals who are aged, blind or disabled, to the medically needy, and to children under age 18 whose family income and resources are insufficient to meet the costs of necessary medical services.

Medicaid enables the provision of rehabilitation and other services to assist families and individuals in attaining and retaining the capability for independence and self-care.

- Section 7 of Arkansas Act 280 (1939) and Act 416(1977) gives authority to the State of Arkansas to establish and maintain a medical care program for the indigent. The Department of Human Services (DHS) is given authority to set forth and administer the rules and regulations necessary to carry out such a program.

### *Administration*

- Arkansas Medicaid was implemented on January 1, 1970.

DHS administers the Medicaid Program through the Division of Medical Services (DMS).

Arkansas Medicaid is detailed in the Arkansas Medicaid State Plan and through provider manuals.

- The Health Care Financing Administration (HCFA) administers the Medicaid Program for the federal government. HCFA authorizes funding levels and approves each state’s State Plan, ensuring compliance with federal regulations.

### *Eligibility*

Recipient eligibility must adhere to certain federal mandates, and is otherwise determined by the DHS Division of County Operations.

Pregnant women and children at or below 133 percent of the federal poverty level are accorded Medicaid coverage per the Omnibus Budget Reconciliation Act of 1989 (OBRA 1989).

Historically, eligibility for Medicaid had been linked to actual or potential receipt of cash assistance under the AFDC and SSI programs. With the passage of the Personal Responsibility and Work Opportunity Act of 1996 (Welfare Reform Bill), the automatic link between AFDC recipients and their ability to receive Medicaid benefits has been discontinued. However, transitional employment assistance is available.

## Services Covered by Arkansas Medicaid

### **Services Mandated by Federal Government:**

- Child Health Services (EPSDT - Early and Periodic Screening, Diagnosis and Treatment)
- Family Planning
- Federally Qualified Health Centers (FQHC)
- Home Health
- Hospital, Inpatient and Outpatient
- Lab and X-ray
- Nursing Facility (for over age 21)
- Nurse Midwife
- Nurse Practitioner (family planning & pediatric)
- Physician
- Rural Health Clinics

### **Optional Services Chosen by Arkansas:**

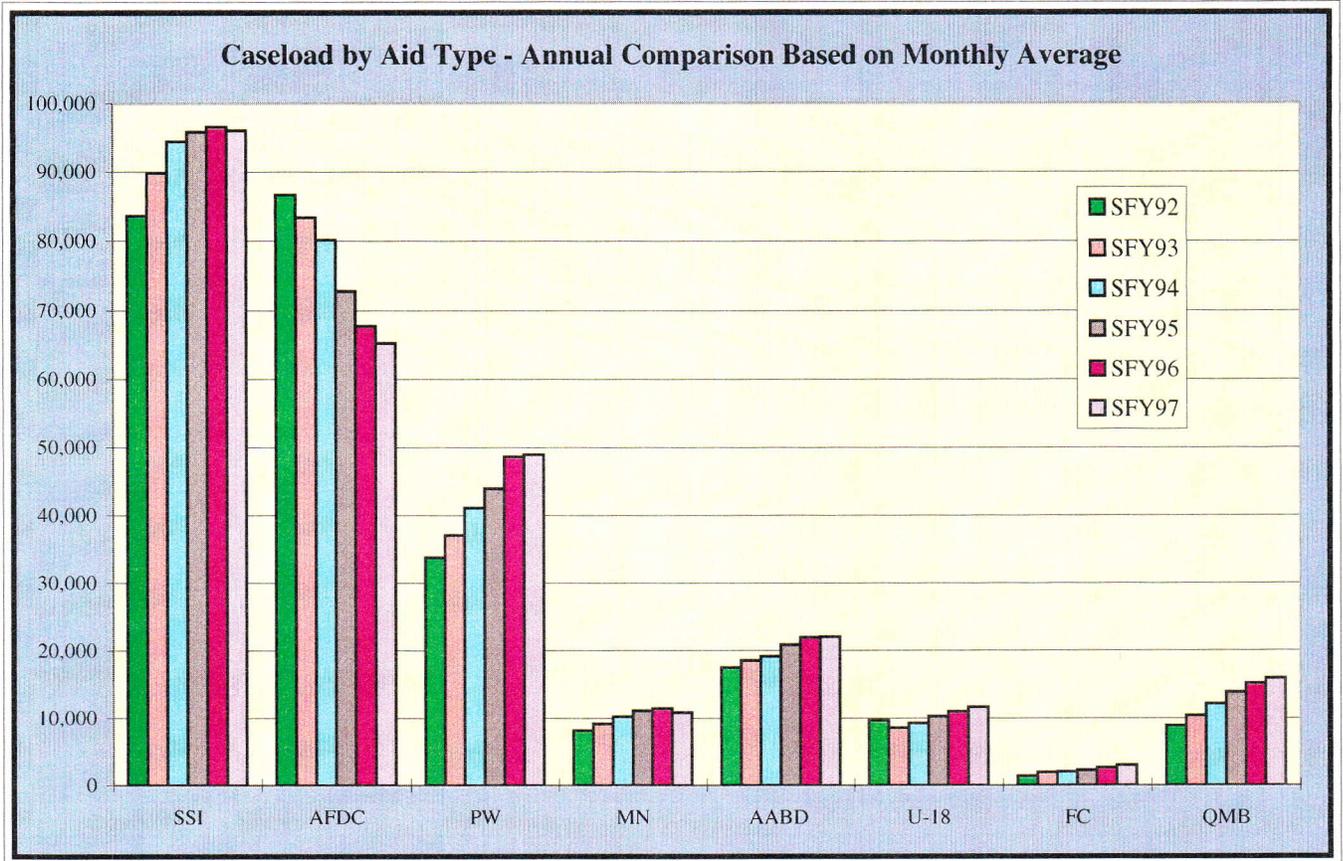
- Ambulatory Surgical Center
- Audiology (for EPSDT, under age 21)
- Certified Registered Nurse Anesthetist
- Child Health Management Services (EPSDT, under age 21)
- Chiropractor
- Dental (EPSDT, under age 21)
- Developmental Day Treatment Clinic Services
- Domiciliary Care
- Durable Medical Equipment
- End Stage Renal Disease Services
- Hospice
- Hyperalimentation
- Inpatient Psychiatric (under age 21)
- Inpatient Rehabilitative Hospital
- Intermediate Care Facility for Mentally Retarded
- Medical Supplies
- Nursing Facility (under age 21)
- Occupational Therapy, Physical Therapy, Speech Pathology (EPSDT, under age 21)
- Orthotic Appliances and Prosthetic Devices (EPSDT, under age 21)
- Personal Care
- Podiatry
- Portable X-ray Services
- Prescription Drugs
- Private Duty Nursing (for ventilator dependent, all ages, and high technology non-ventilator dependent, under age 21)
- Psychology Services (EPSDT, under age 21)
- Rehabilitative Services for Persons with Mental Illness
- Rehabilitative Services for Persons with Physical Disabilities
- Respiratory Care (EPSDT, under age 21)
- Targeted Case Management (for pregnant women, recipients age 60 and over, under age 21 EPSDT recipients, recipients age 21 and younger and adults age 22 and older with developmental disability)
- Transportation (public, private/non-profit, ambulance)
- Ventilator Equipment
- Vision Services

### **Major Benefit Limitations on Services:**

- Twelve visits to physicians, clinics and/or hospital outpatient departments per state fiscal year.
- Lab and X-ray services limited to total benefit payment of \$500 per state fiscal year; exceptions for EPSDT recipients.
- Three pharmaceutical prescriptions, including refills, per month (family planning prescriptions not counted against benefit limit; unlimited prescriptions for nursing facility recipients and EPSDT recipients under age 21); extensions will be considered up to a maximum of six prescriptions per month for recipients at risk of institutionalization.
- Inpatient hospital days limited to 20 per state fiscal year. Exceptions for EPSDT recipients and organ transplant patients.
- Co-Pay: Recipients must pay 20% of first day of hospital stay, \$1 - \$3 of every prescription.

**Any and all exceptions to benefit limits are based on medical necessity.**

# MEDICAID ELIGIBLES



**Explanation of Aid Categories:**

- SSI        **Supplemental Security Income** - growth is due to relaxed disability criteria for children and an increase in the number of disabled adults.
- AFDC     **Aid to Families with Dependent Children** - This aid category has been replaced by **TEA, Transitional Employment Assistance**, effective July 1, 1997
- PW        **Pregnant Women** - children born to mothers under this aid category remain eligible under this category from birth to age 19 (although the mother's eligibility status may change), accounting for steady increase in total number of eligibles.
- MN        **Medically Needy** - Medically Needy are not eligible for public assistance.
- AABD     **Aid to the Aged, Blind and Disabled** - increase in this category is due to TEFRA and ElderChoices programs.
- U-18     **Under Age 18** - this category has experienced both increases and decreases due to newborns changing categories after one year of eligibility as SOBRA Newborn.
- FC        **Foster Care** - increasing caseload is due to emphasis on establishing Title IV-E eligibility.
- QMB      **Qualified Medicare Beneficiary** - individuals who are eligible for both Medicare and Medicaid benefits - benefits limited to coverage of Medicare co-payments, premiums and deductibles - growth in this category is due to outreach efforts by HCFA and SSA.

*Notes: 1. "Refugees" is another aid category; however, there was only a monthly average of 7 individuals in this category in SFY97; nothing shows graphically.*

*2. The total unduplicated number of eligibles per year is higher than what is presented on the bar graph; the numbers illustrated on the graph are representative of any given month during the year.*

*Source: Division of County Operations*

## Medicaid Eligibles by County

**Month of July 1997**

County	Eligibles	% of State
Arkansas	2,664	0.98%
Ashley	3,172	1.16%
Baxter	2,632	0.96%
Benton	6,346	2.33%
Boone	3,222	1.18%
Bradley	1,840	0.67%
Calhoun	565	0.21%
Carroll	1,646	0.60%
Chicot	3,368	1.23%
Clark	2,010	0.74%
Clay	1,916	0.70%
Cleburne	1,889	0.69%
Cleveland	906	0.33%
Columbia	3,491	1.28%
Conway	2,341	0.86%
Craighead	7,622	2.79%
Crawford	5,193	1.90%
Crittenden	7,594	2.78%
Cross	2,941	1.08%
Dallas	1,590	0.58%
Desha	2,959	1.08%
Drew	2,392	0.88%
Faulkner	4,913	1.80%
Franklin	1,619	0.59%
Fulton	1,515	0.56%
Garland	8,210	3.01%
Grant	1,088	0.40%
Greene	3,546	1.30%
Hempstead	2,475	0.91%
Hot Spring	3,025	1.11%
Howard	1,501	0.55%
Independence	3,443	1.26%
Izard	1,578	0.58%
Jackson	2,847	1.04%
Jefferson	12,804	4.69%
Johnson	2,187	0.80%
Lafayette	1,522	0.56%

County	Eligibles	% of State
Lawrence	2,773	1.02%
Lee	3,261	1.20%
Lincoln	1,861	0.68%
Little River	1,327	0.49%
Logan	2,716	1.00%
Lonoke	3,756	1.38%
Madison	1,226	0.45%
Marion	1,576	0.58%
Miller	5,177	1.90%
Mississippi	9,127	3.35%
Monroe	2,214	0.81%
Montgomery	821	0.30%
Nevada	1,177	0.43%
Newton	1,175	0.43%
Ouachita	4,488	1.65%
Perry	914	0.34%
Phillips	8,126	2.98%
Pike	999	0.37%
Poinsett	3,821	1.40%
Polk	2,156	0.79%
Pope	5,094	1.87%
Prairie	1,022	0.37%
Pulaski	31,209	11.44%
Randolph	2,210	0.81%
Saline	4,184	1.53%
Scott	1,371	0.50%
Searcy	1,243	0.46%
Sebastian	9,384	3.44%
Sevier	1,313	0.48%
Sharp	2,058	0.75%
St. Francis	6,825	2.50%
Stone	1,477	0.54%
Union	6,388	2.34%
Van Buren	1,857	0.68%
Washington	8,360	3.06%
White	5,476	2.01%
Woodruff	1,917	0.70%
Yell	2,156	0.79%
<b>Total</b>	<b>272,808</b>	

*Percent of eligibles utilizing services ranges from 57% to 77%, with the average for the state being 65%*

Source: IM 2414

## Arkansas Medicaid Program Benefit Expenditures, SFY97

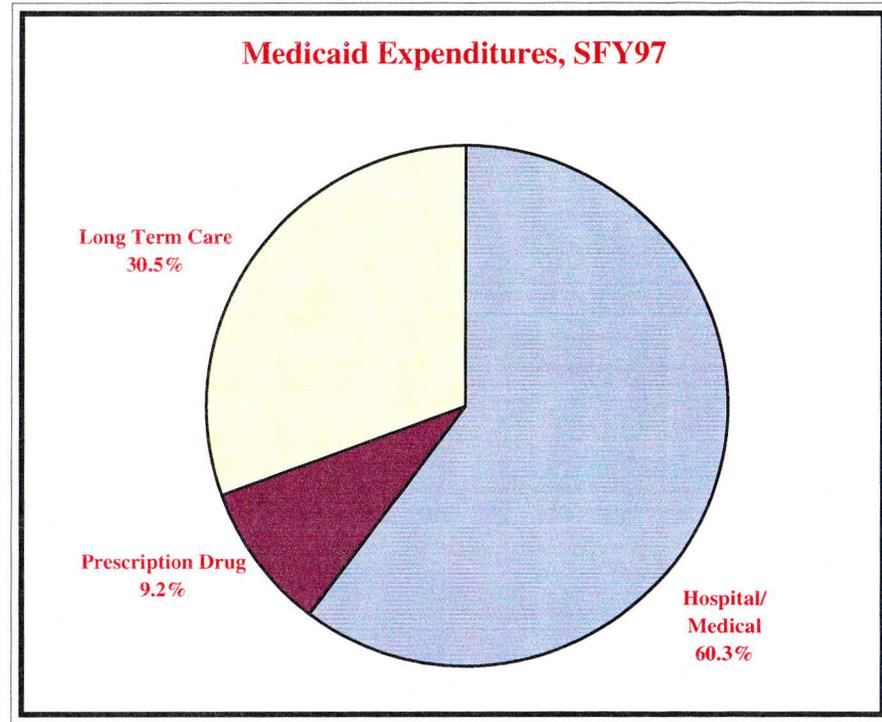
### Hospital/Medical

Hospital, Inpt & Outpt	\$227,269,090
Psychiatric Services	\$106,055,667
Rural/Community Health Centers	\$5,748,266
Specialized Care Services	\$81,765,237
Physician Services	\$114,670,323
Dental Services	\$9,098,409
Other Practitioners	\$21,037,680
Lab & X-Ray	\$9,402,312
EPSDT	\$27,823,764
Clinical Programs	\$4,342,022
Emergency Transportation	\$5,316,611
Non-Emergency Transportation	\$9,140,040
Case Management	\$12,535,879
Other Care Services	\$92,621,356
Other	\$58,365,603
Contracts	\$26,948,135
<b>Total Hospital/Medical</b>	<b>\$812,140,394</b>

**Prescription Drug** **\$124,380,596**

**Long Term Care** **\$410,609,807**

<b>TOTAL</b>	<b>\$1,347,130,797</b>
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*Specialized Care Services include Home Health, Private Duty Nursing, Personal Care, Hospice*

*Clinical Programs include Maternity Clinics, Family Planning, Ambulatory Surgical Center*

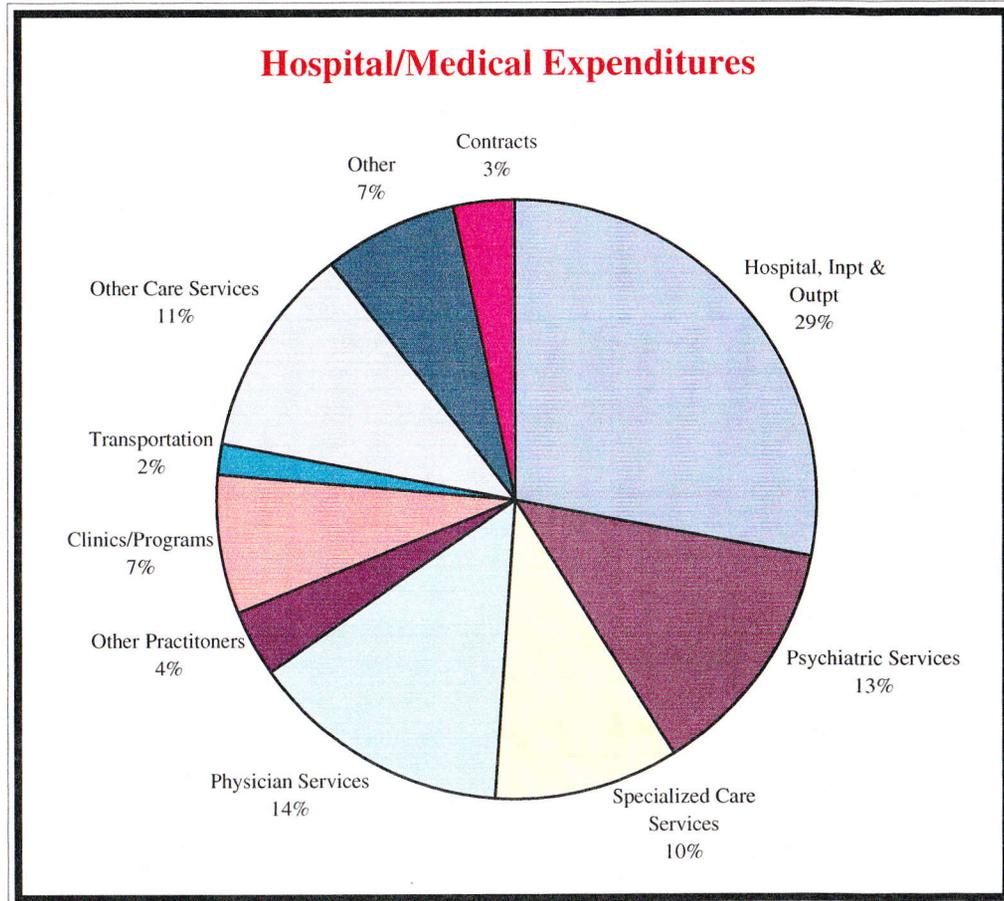
*Other Care Services include Eyeglasses, Hearing Aids, Ventilator, Hyperalimentation, Hemodialysis, Durable Medical Equipment/ Oxygen, Elderchoices Waiver, Developmental Day Clinic Treatment Services, DDS-Non-institutionalization Waiver, Other Care Crossovers*

*Other includes Medicare Crossovers, Medicare Premiums, Medicare Part B Deductibles, Third Party Liability Refunds, Adjustments, Program Claims Adjustments*

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Other Practitioners	\$30,136,089
Clinics/Programs	\$59,852,243
Transportation	\$14,456,651
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<b>Total Hospital/Medical</b>	<b>\$812,140,394</b>



**Notes:**

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Other Practitioners include Dental Services; expenditures for dental services comprise 30% of the total expenditures for Other Practitioners

Clinics/Programs include Maternity Clinics, Family Planning, Ambulatory Surgical Center, Health Department

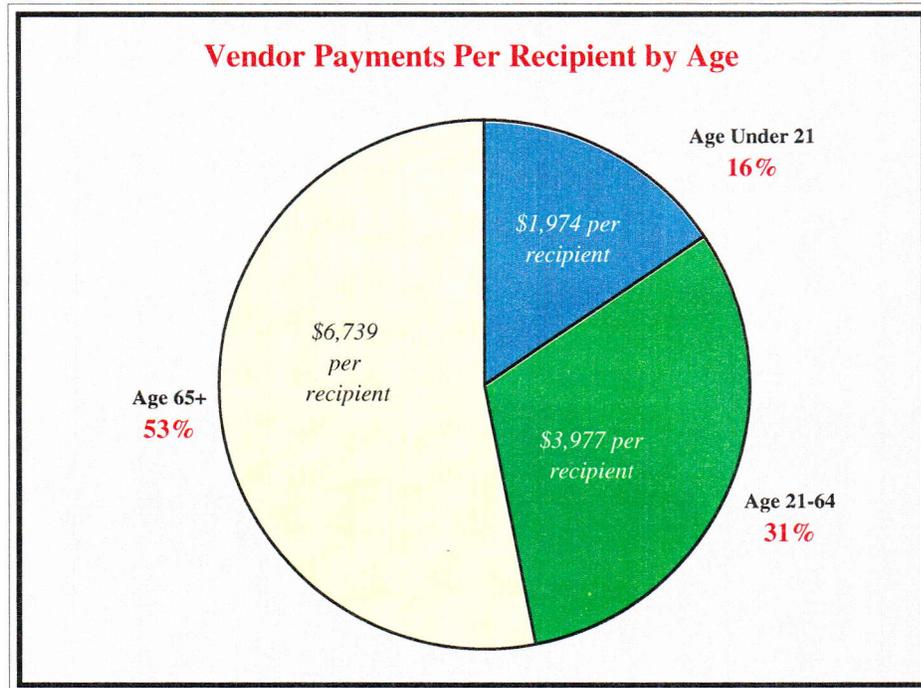
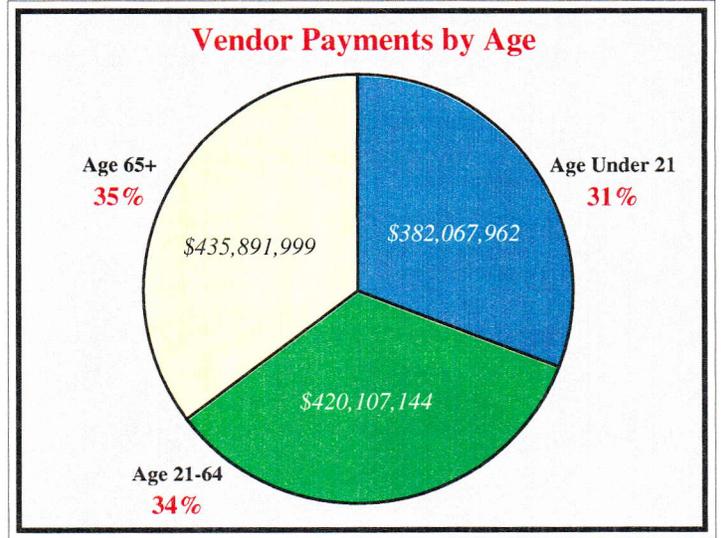
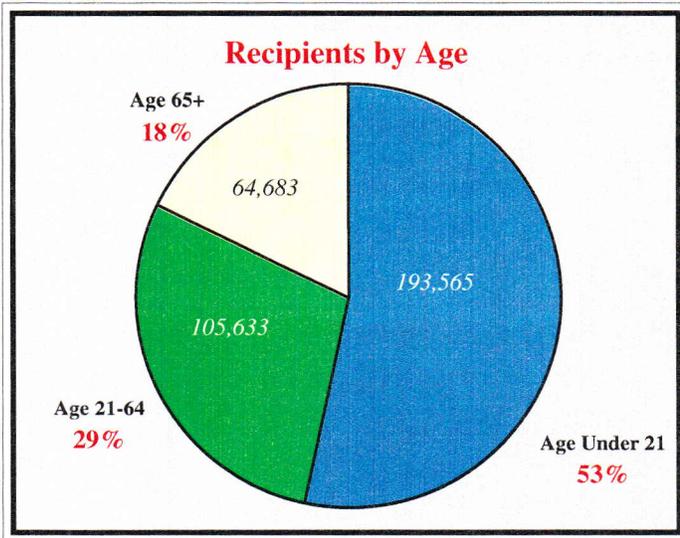
Communicable Diseases, EPSDT, Case Management, Lab & X-Ray, Rural/Community Health Centers

Other Care Services include Eyeglasses, Hearing Aids, Ventilator, Hyperalimentation, Hemodialysis, Durable Medical Equipment/

Oxygen, Elderchoices Waiver, Developmental Day Clinic Treatment Services, DDS-Non-institutionalization Waiver, Other Care Crossovers

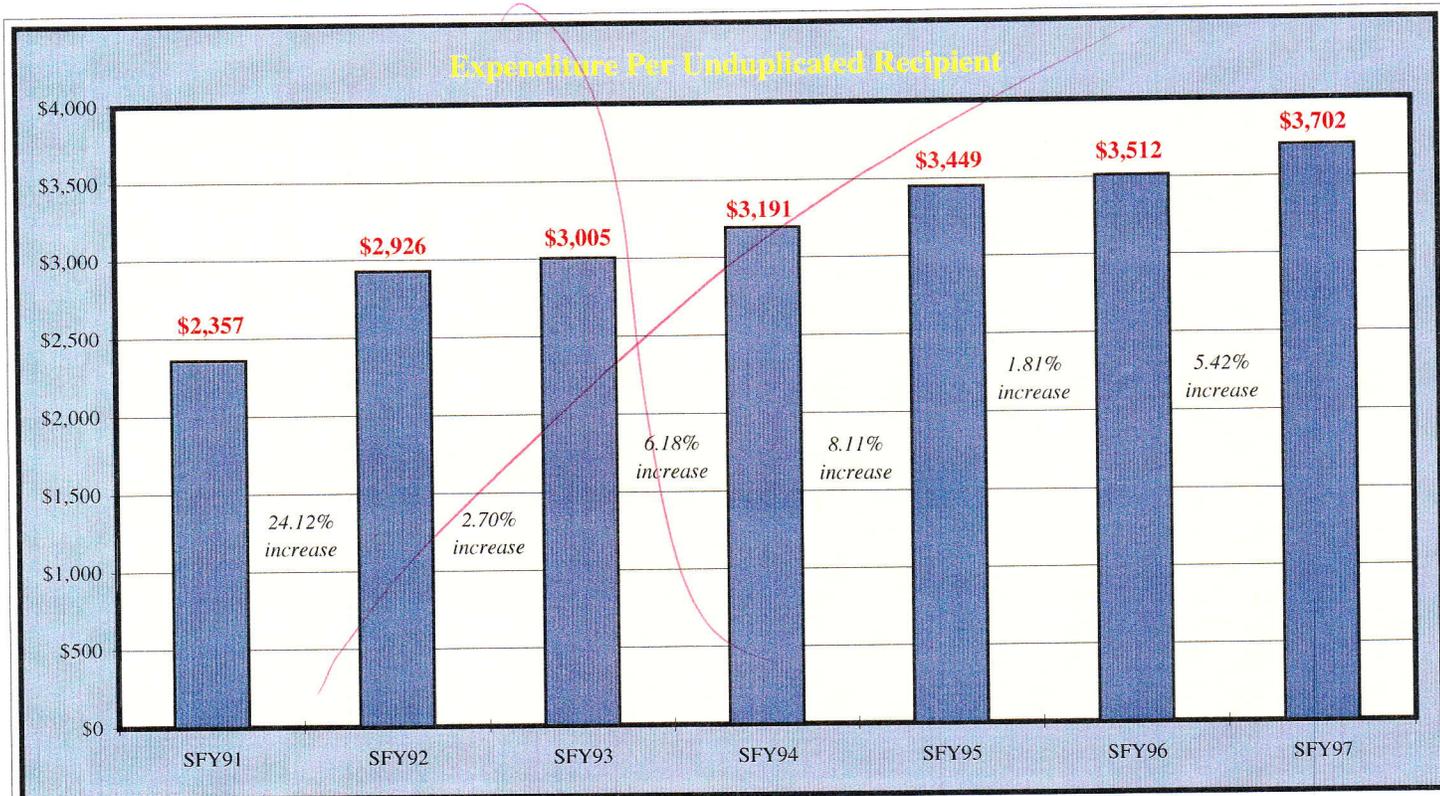
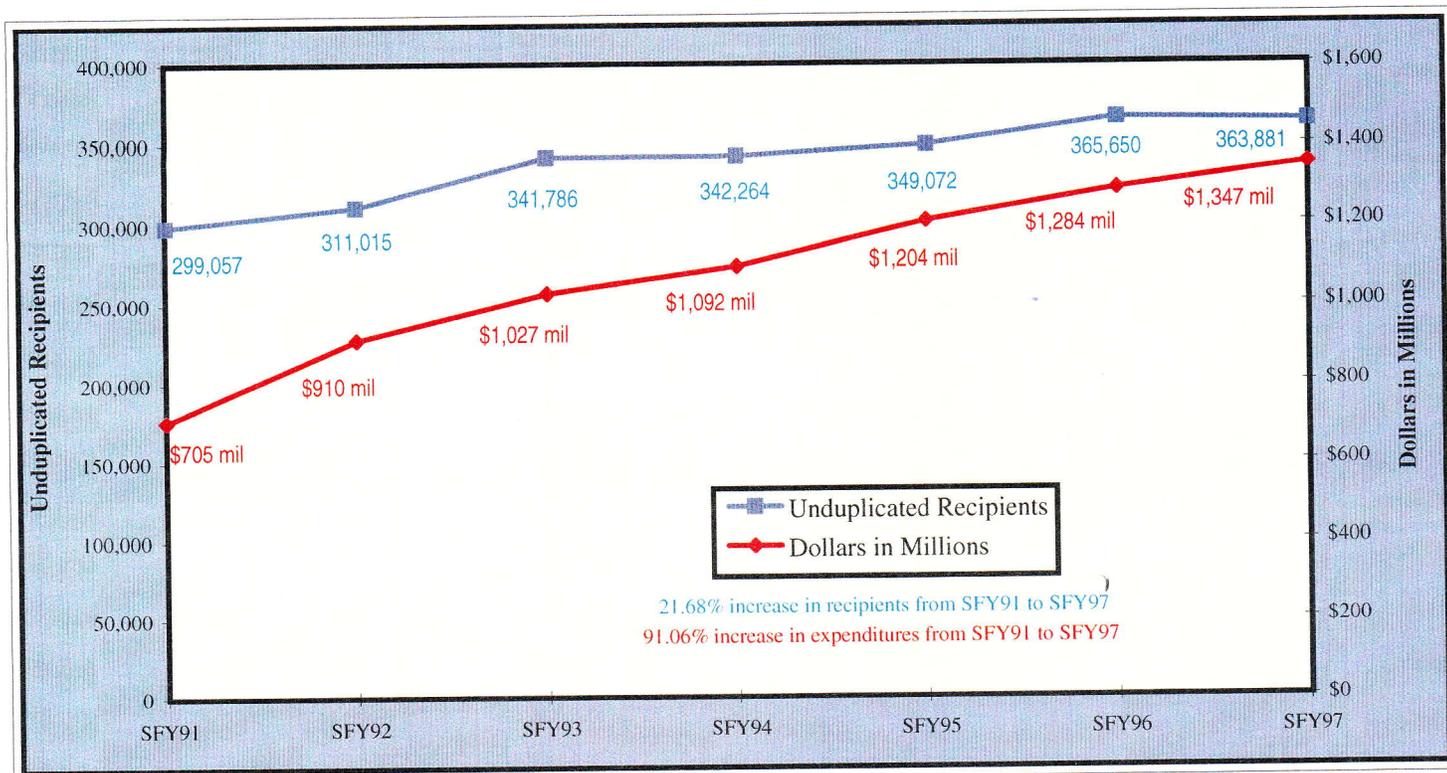
Other includes Medicare Crossovers, Medicare Premiums, Medicare Part B Deductible, Adjustments, Program Administration, Third Party Liability Refunds

# Unduplicated Recipient Counts and Vendor Payments by Age, SFY97



Source: HCFA 2082

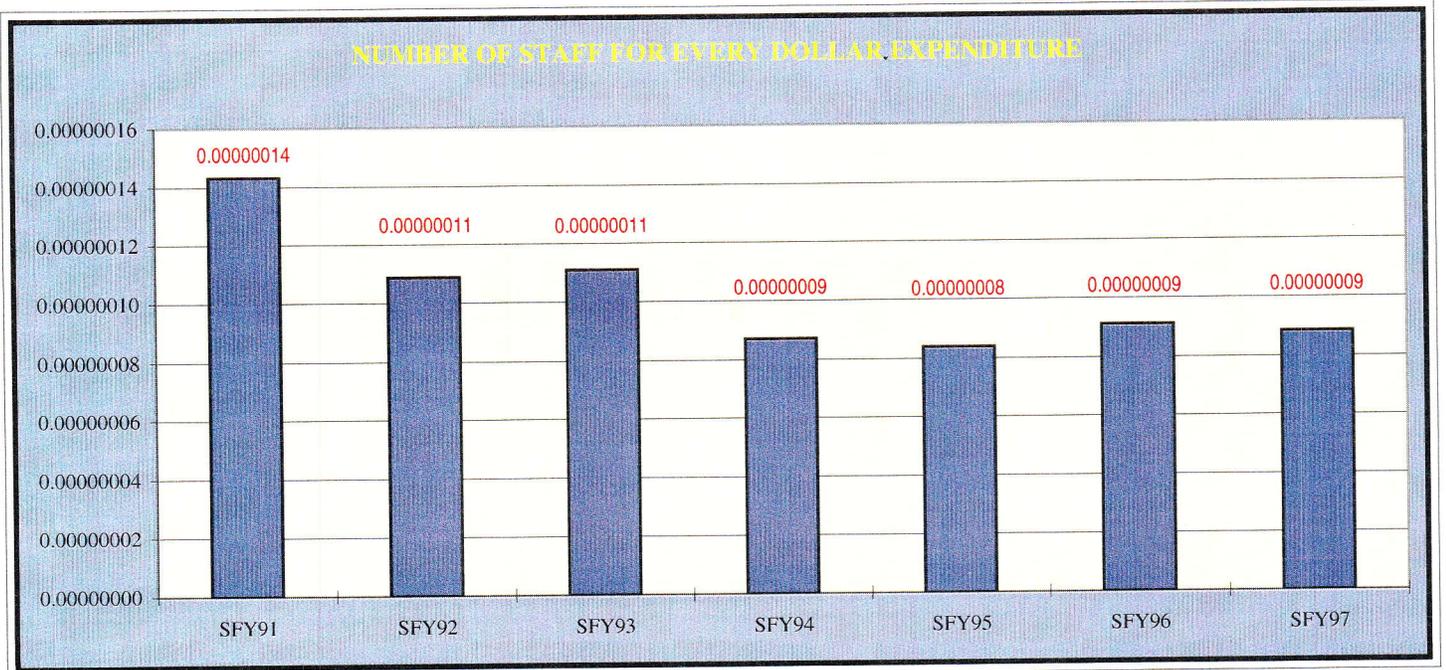
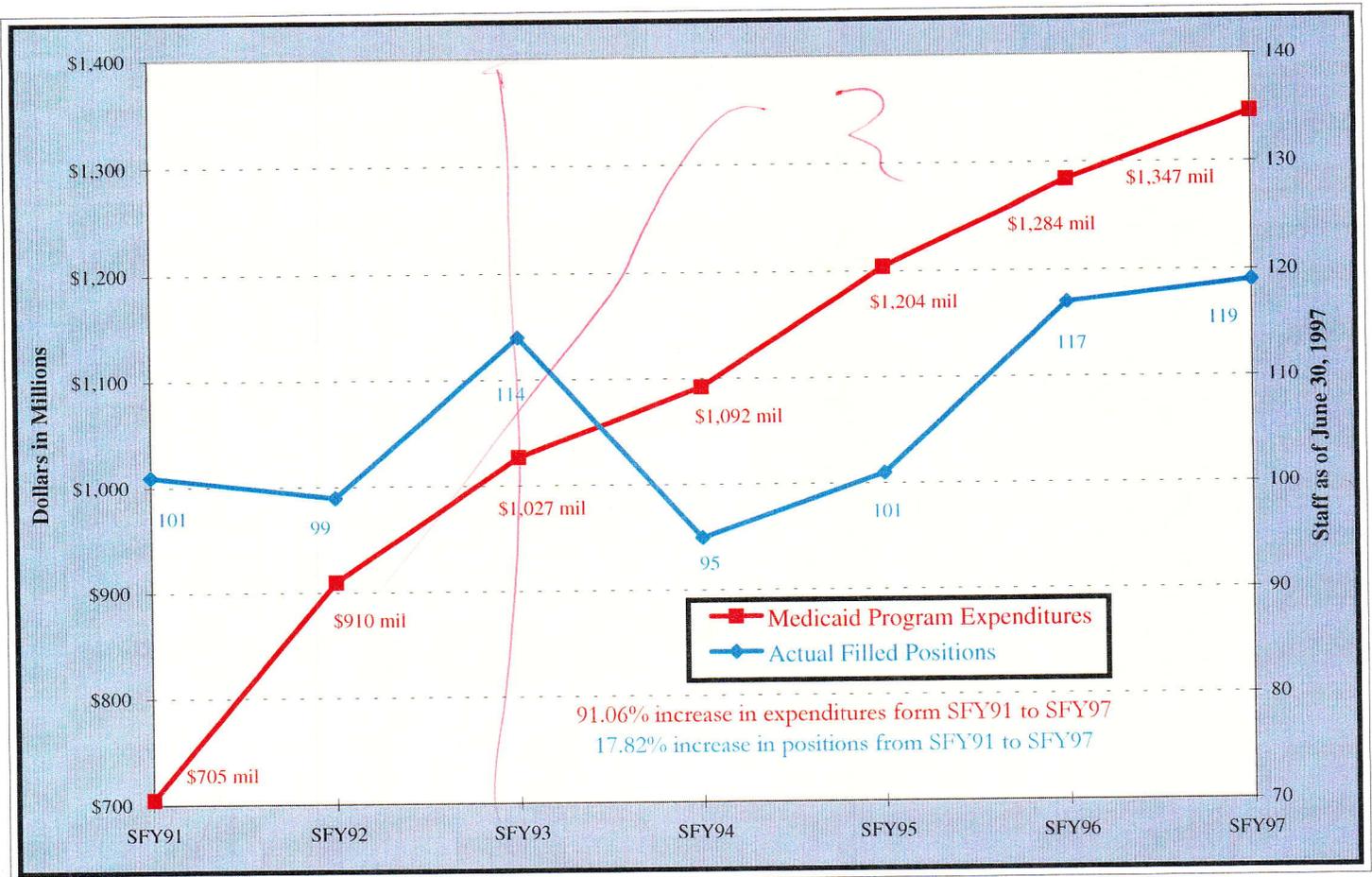
## MEDICAID UNDUPLICATED RECIPIENTS COMPARED TO EXPENDITURES



41.30% increase in expenditure per recipient from SFY91 to SFY97

Source: HCFA 2082; Medicaid Budget Reports

# MEDICAID STAFFING COMPARED TO PROGRAM EXPENDITURES

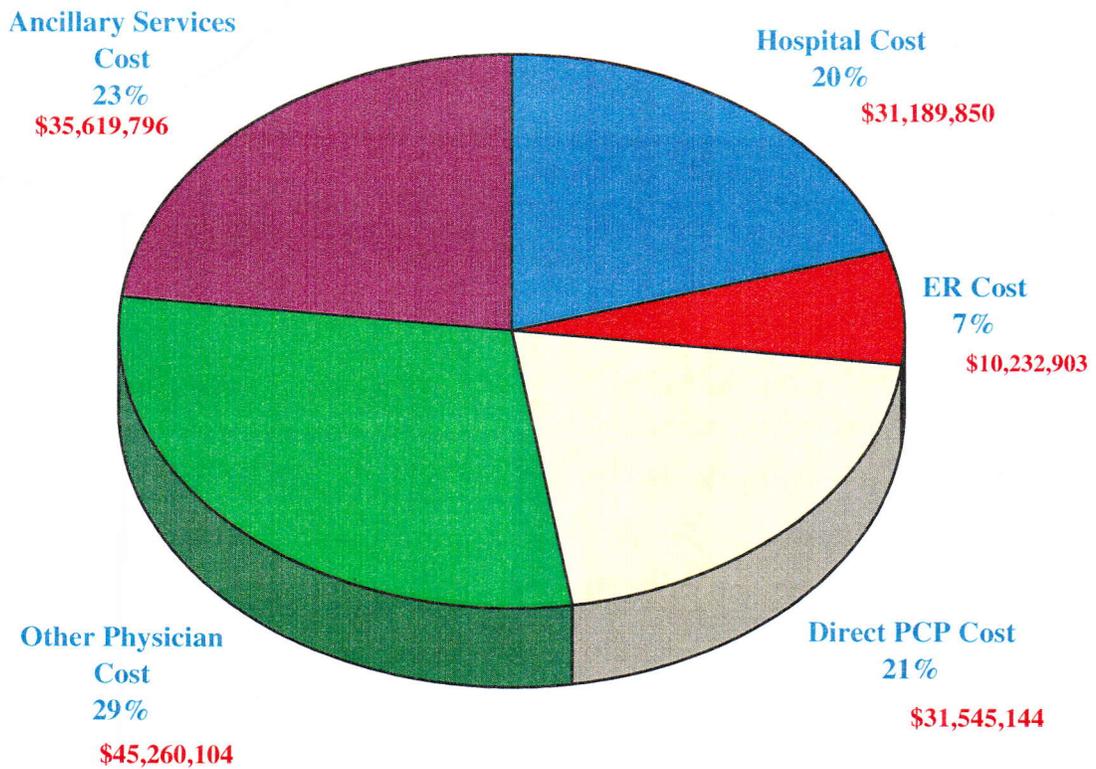


35.71% decrease in number of staff per dollar expenditure from SFY91 to SFY97

# PRIMARY CARE PHYSICIAN (PCP) PROGRAM EXPENDITURES, SFY96

## PCP PROGRAM ENTITLED *CONNECTCARE*

Arkansas Medicaid's *ConnectCare* program enables every eligible recipient to have his or her own primary care physician. The primary care physician is an advocate for the patient, coordinating care, making referrals when necessary, and minimizing the need to go to a hospital emergency department for treatment. Added benefits of *ConnectCare* are consolidation of medical records, wellness education and 24 hour access to care.



**1996 TOTAL COST: \$153,847,797**

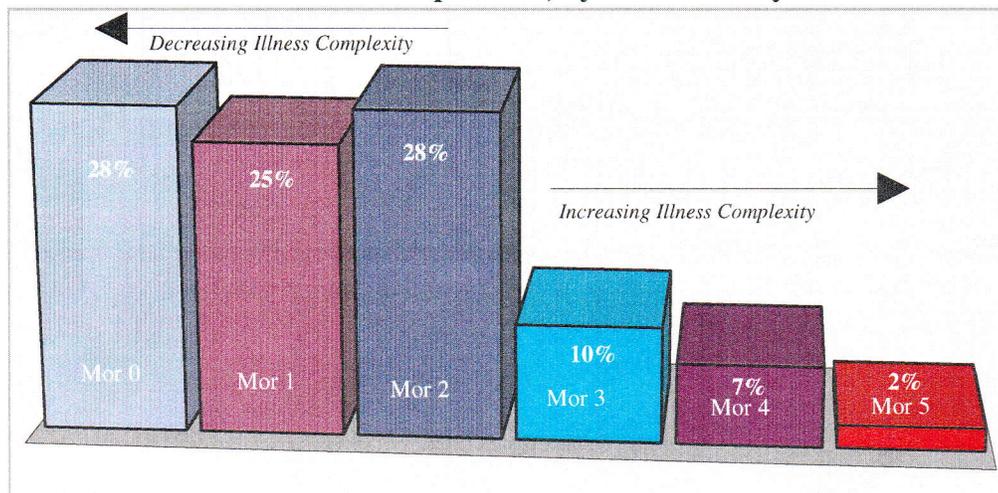
**COST PER PATIENT PER MONTH: \$86**

*Medicaid PCP figures obtained from Arkansas Foundation for Medical Care, Inc.*

# Relationship Between Degree of Illness and Expenditures for Medical Services, Arkansas Medicaid

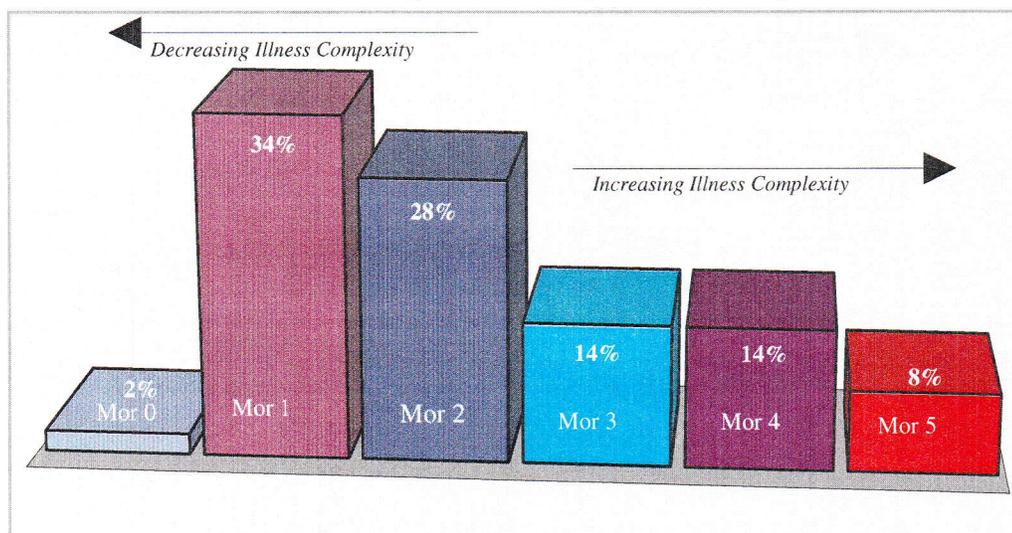
Illness Acuity measured according to Morbidity Index, based on widely accepted Ambulatory Care Group Classification developed at Johns Hopkins University. Lower Morbidity Index equates to less ill population, lower complexity of illness. Higher Morbidity Index equates to more ill population, higher complexity of illness.

### Percent of Population, by Illness Acuity



Mor = Morbidity Mor 0 = least ill Mor 5 = most ill

### Percent of Expenditures, by Illness Acuity



Source: Codman Research Group, Andover, Mass.

# **MEDICAID FRAUD & ABUSE DETECTION**

## **Aggressive & Targeted**

- **Recipient Fraud - Detection and Prosecution**

*-Div of County Operations Fraud Unit, Office of Chief Counsel, Attorney General*

- ⇒ Photo Identification Card with magnetic coding ensures the identity of the client as well as proper coding and correct application of benefit limits
- ⇒ DCO - Special Investigation Unit conducts field investigations of suspicious cases
- ⇒ OCC - Fraud Unit processes fraud referrals and prepares cases for prosecution

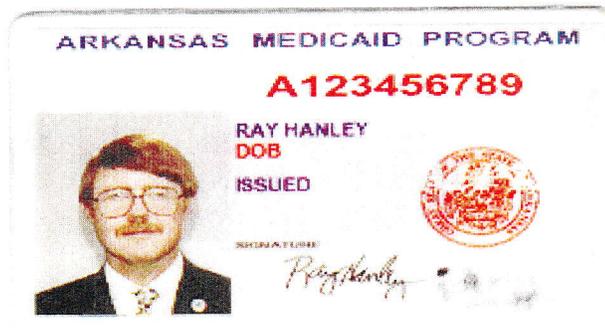
- **Provider Fraud & Abuse Detection**

*-DMS Utilization Review & Field Audit Units, Office of Chief Counsel, Attorney General*

- ⇒ **On-site reviews, Random sampling, Referrals, Targeted reviews**
  - \$2 million identified in utilization reviews
  - 67 open audit cases, \$3.4 million identified this year
  - Black & White Cab - \$2.5 million in fraudulent claims
    - 17 convictions to date by Attorney General's Office

- **Fraud Prevention**

- ⇒ **Extensive edits on AEVCS when claims are submitted**
- ⇒ **Special new software identifies fraudulent billing**



## **THIRD PARTY LIABILITY RECOVERIES**

Identifies Medicaid recipients with other medical insurance or payment sources (including child support) that must pay first

- **Tort Casualty - Recovery through the court system**

- 950 active cases, \$1 million collections this year

- **Health Insurance & Child Support Recoveries**

- 14,000 cases, \$6 million annual recoveries

- **Cost Avoidance**, \$85 million claims reduced (before payment) or denied