



STATE OF ARKANSAS

ASA HUTCHINSON
GOVERNOR

March 26, 2020

The Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Ave. NW
Washington, DC 20500

Dear President Trump:

On behalf of the citizens of Arkansas, I am submitting a Medicaid Section 1115 Demonstration Project to enable us to respond to the COVID-19 health emergency and avert the threatening economic crisis. As you know, health care is twenty percent (20%) of our nation's economy. This bold proposal will provide access to necessary health care for the needs of Arkansas's citizens and keep the doors of our health care providers open and their workforce employed.

We recognize that health care cannot be delivered as it was just two weeks ago. Hospitals, physician's clinics, pharmacies, residential facilities, other licensed health care practitioners must now re-engineer their practices and service delivery patterns to protect the lives of their patients and their employees. The proposed Demonstration Project places a particular emphasis on our rural providers who face even greater challenges due to greater travel distance and less infrastructure compared to more populous areas.

The proposed Demonstration will help jumpstart the ability of providers to respond most efficiently and effectively by giving flexibility to use funds in ways Medicaid does not typically finance. Structuring payments in this approach also ensures program integrity as the Department of Human Services (DHS) must approve the request for funding in advance. It provides greater program integrity protection because costs will be directly auditable and is less complex than building increases into rates.

Most importantly, we will pay to deliver needed services rather than reimburse for lost revenue. Through this waiver, Medicaid beneficiaries will continue to receive necessary services during this public health emergency, and it will build the capacity and

infrastructure of providers to increase access long after the emergency is over. Additionally, this will keep everyone from the receptionist, to the nurse, to the surgeon fully employed so they can continue to support their families, pay their bills, and keep money in the local economy.

DHS Secretary Cindy Gillespie has assembled a team to work with your administration to expedite this Demonstration Project. I look forward to your swift and favorable response.

Sincerely,

A handwritten signature in black ink, appearing to read "Asa Hutchinson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Asa Hutchinson