

Arkansas Works Demonstration Transition and Phase-Out Plan

The authority of the Arkansas Works Act of 2016, which provides coverage to the New Adult Group described at Section 1902(a)(10)(A)(i)(VIII) of the Social Security Act and which provides authority for the Arkansas Works Section 1115 Demonstration Project, expires on December 31, 2021. As required in the Arkansas Works Demonstration's Special Terms and Conditions (STCs), the state has developed a plan for transition of the current Demonstration as follows.

In the most recent session of the Arkansas General Assembly, Governor Asa Hutchinson and the state legislators collaborated to make further improvements to the current program through the Arkansas Health and Opportunity for Me Act of 2021 ("ARHOME"). Under the authority of Act 530, Arkansas proposes to continue coverage for the New Adult Group and to extend and amend the Demonstration through December 31, 2026. The ARHOME program and Demonstration do not reduce eligibility or benefits.

The Arkansas Department of Human Services (DHS) has responsibility for administering the Medicaid program including the Demonstration. DHS will submit the ARHOME waiver application for public comment in June 2021. At the same time, DHS will submit this draft transition and phase-out plan for a 30-day public comment period. There are no recognized tribes in Arkansas to meet the tribal consultation requirements. The state will provide a summary of each public comment received, the state's response, and a description of how the state incorporated feedback.

DHS has developed the following plan for transition, phase-out, and termination according to federal rules and the STCs. Although required to submit this draft plan to the Centers for Medicare and Medicaid Services (CMS) for review and approval, the state does not expect to terminate or close the Demonstration prior to the date of expiration.

DHS has begun an extensive outreach and education strategy to educate the public on the changes due to Act 530 and to rebrand the Demonstration as ARHOME. The transition and phase-out plan will coincide with the public comment period for the ARHOME Demonstration so the public understands that, while the current Demonstration expires December 31, 2021, the ARHOME Demonstration will begin on January 1, 2022, and there will be no lapse in eligibility or coverage. However, termination and closure would be implemented only if the ARHOME Demonstration is not approved by CMS. Implementation of phase-out activities would not occur earlier than 14 days after CMS approval of the Transition and Phase-out Plan.

The State should describe its process that aligns with each of the listed minimum requirements:

Phase-Out Plan Requirement	State Process
Description of how the State will comply with all notice requirements found in 42 CFR 431.206, 431.210 and 431.213.	The State will comply with all applicable CFR requirements regarding notice and appeal rights in the case that this Demonstration is being terminated or closed prior to the date of expiration.
Description of how the State will notify affected beneficiaries, including leveraging community outreach activities or community resources that are available. Including providing notice that enrollment of new individuals into the demonstration will be suspended during the last six months of the demonstration.	In the case that this Demonstration is being terminated or closed prior to the date of expiration, the State will send notices via mail to all affected beneficiaries. The State will also leverage a variety of existing community resources, including Department of Human Services Division of County Operations local offices. In the case of this Demonstration being terminated or closed prior to the date of expiration, a transition team with officials from the Department of Human Services (and any other necessary State agencies) will be created to ensure an orderly close-out.
Description of the proposed content of beneficiary notices or sample notices that will be sent to affected beneficiaries.	Notices sent to affected beneficiaries in the case of this Demonstration being terminated or closed prior to the date of expiration would include all CFR required information. (42 CFR 431.206, 431.210, 431.213)
Description of how the State will assure all appeal and hearing rights are afforded to demonstration participants as outlined in 42 CFR 431.220 and 431.221; including maintaining benefits as required by 42 CFR 431.230 if a demonstration participant requests a hearing before the date of action.	In accordance with existing CFR and Arkansas State Law, the State will assure all appeal and hearing rights are afforded to demonstration participants (as outlined in 42 CFR 431.220 and 431.221, including maintaining benefits as required by 42 CFR 431.230) if a demonstration participant requests a hearing before the date of action.
Description of the State's process for conducting renewals for all affected beneficiaries in order to determine if they qualify for Medicaid eligibility under a different eligibility category (42 CFR 435.916).	In the case that this Demonstration is being terminated or closed prior to the date of expiration, the State will determine the most appropriate way to conduct Medicaid eligibility renewals to determine if affected beneficiaries qualify for Medicaid eligibility under a different eligibility category. This information and a timeline would be provided to affected beneficiaries as well as CMS if this situation occurred.
If suspension or early termination is being initiated by the State, description of how the State will notify CMS in writing of the effective date and reason(s) for any suspension or early termination initiated by the State at least 120	If the State initiates suspension or early termination of the Demonstration, the State would formally submit a notification to the acting CMS Administrator at least 120 days

Phase-Out Plan Requirement	State Process
days before the effective date of the demonstration's suspension or termination.	before the effective date of the demonstration's suspension or termination.
Description of how the State will track and ensure that demonstration expenditures claimed for FFP are limited to normal closeout costs associated with suspension or terminating the demonstration such as administrative costs of disenrolling participants.	All demonstration expenditure costs claimed for FFP would be limited to normal closeout costs associated with suspension or termination of the Demonstration.
If the State is requesting exemption from public notice procedures pursuant to 42 CFR 431.416(g), description of the qualifying circumstances for which the State is requesting CMS to expedite or waive federal and/or state public notice requirements.	N/A

DHS will submit a draft final report on Arkansas Works within 120 days of the Demonstration expiration (December 31, 2021) to CMS for comments. The final report is due 120 days after receipt of CMS's comments. The state shall provide two Summative Evaluation Reports for the Arkansas Works Demonstration:

- The first is due within 210 days of the end of the Demonstration period, i.e., July 28, 2022. This report shall include documentation of outstanding assessments due to data lags to complete the summative evaluation.
- The second is due within 500 days of the end of the Demonstration period, i.e., May 15, 2023. The State will respond to CMS's comments and submit the final Summative Evaluation Report within 30 days after receipt of CMS's comments.