

IMPROVING YOUR HEALTH AND EXPANDING YOUR OPPORTUNITIES

ARHOME Health and Economic Outcomes Accountability Oversight Advisory Panel

Quarterly Report

June 27, 2023



Report Requirements

In approving Act 530 of 2021, the Arkansas General Assembly created the Arkansas Health and Opportunity For Me program (ARHOME) and the Health and Economic Outcomes Accountability Oversight Advisory Panel. The Act requires quarterly reporting to the Advisory Panel on the program's progress toward meeting economic independence outcomes and health improvement outcomes. A.C.A. § 23-61-1011 (see Appendix) requires the reports to include information on the following:

- Eligibility and enrollment;
- Health insurer participation and competition;
- Premium and cost-sharing reduction costs;
- Utilization;
- Individual qualified health insurance plan health improvement outcomes;
- Economic independence initiative outcomes;
- Any sanctions or penalties assessed on participating individual qualified health insurance plans; and
- Community bridge organization (i.e., Life360 HOME) program outcomes.

ARHOME Overview

ARHOME is Arkansas's Medicaid expansion program created by the federal Affordable Care Act (ACA). It serves adults between the ages of 19 and 64 with income below 138% of the federal poverty level. The program operates as a demonstration project (waiver) approved under the authority of Section 1115 of the Social Security Act, which allows the state to use Medicaid funding to purchase coverage through private Qualified Health Plans (QHPs) for eligible individuals. The federal government pays 90% of the cost of the program, and the state pays the remaining 10%. The ARHOME program was previously known as Arkansas Works, but Act 530 of 2021 changed the program to ARHOME, effective January 1, 2022. The federal Centers for Medicaid and Medicaid Services (CMS) approved the new five-year waiver (January 1, 2022, through December 31, 2026) on December 21, 2021.

CMS approved an amendment to the ARHOME waiver on November 1, 2022. The amendment allows the state to implement the Life360 HOME program, allowing DHS to contract with hospitals to provide additional support and intensive care coordination for ARHOME's most atrisk beneficiaries. (More information about the Life360 HOME program is available beginning on page 21.)

On June 1, 2023, DHS submitted to CMS a proposed amendment to the ARHOME waiver. The proposal requests permission to implement the Opportunities for Success Initiative. Through the Initiative, DHS seeks to provide focused care coordination services provided by a Success

Coach to beneficiaries who are not progressing toward improved health and economic independence. Individuals who are under 20% of the federal poverty and not engaged in their health or other designated activities (e.g., enrolled in education, serving as caregiver, participating in a rehab program) will be assigned a Success Coach. Success Coaches will evaluate the health-related social needs of the individuals they serve (e.g., food insecurity, education level, safe housing) to develop an individualized Action Plan. Based on the Action Plan, the Success Coach will connect the beneficiary with needed social services, employment opportunities and workforce training. Individuals who do not engage with the Success Coach or their Action Plan within three months will transition from their Qualified Health Plan (QHP) to the traditional Medicaid Fee-for-Service (FFS) delivery system. They will not lose Medicaid eligibility.

The Opportunities for Success Initiative proposal and public comments about the proposal collected during the state public comment period are available here: Arkansas Health and Opportunity for Me (ARHOME) Program - Arkansas Department of Human Services. CMS has posted the proposal on its website for the federal public comment period: 1115 Waiver Demonstration - Arkansas Health and Opportunity for Me (ARHOME) - Amendment Request (govdelivery.com). CMS is accepting public comments through July 14.

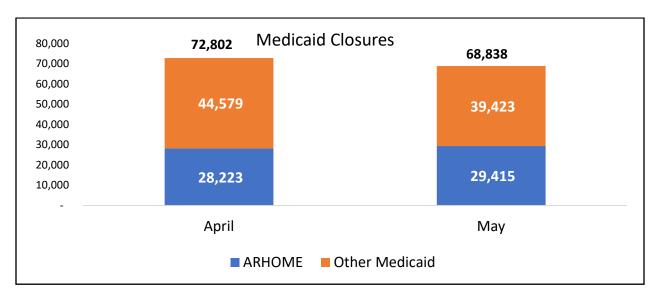
Eligibility and enrollment

ARHOME enrollment increased steadily beginning in 2020 primarily due to the public health emergency (PHE) caused by the COVID-19 pandemic. Under the maintenance of effort (MOE) requirements of the Families First Coronavirus Response Act (FFCRA), CMS prohibited states from disenrolling beneficiaries from Medicaid programs, except when the beneficiary passes away, becomes incarcerated, moves out of state, requests to be disenrolled, or shifts to a different Medicaid program. That means some beneficiaries who otherwise lost eligibility have remained enrolled during the PHE.

The federal government established the end of the continuous enrollment condition and requiring states to return to normal operations beginning April 1, 2023. DHS had already conducted multi-pronged year-long effort to alert beneficiaries, providers, and other stakeholders about coming end of the PHE. The process for disenrolling ineligible beneficiaries extended due to the PHE will span six months, finalizing at the end of September. To process renewal application timely, DHS scheduled renewals in phases, and ARHOME beneficiaries were among the first group to receive renewal notices. The ARHOME program disenrolled about 58,000 beneficiaries in the first two months of this process, making up nearly 41% of all disenrolled Medicaid beneficiaries.



Enrollment as of the first day of each month (data pulled on June 5, 2023)



About 75% of all Medicaid closures were due to beneficiaries not returning renewal forms or requested information, rather than a full assessment of ineligibility. DHS anticipates some disenrolled beneficiaries will reenroll once they realize they've lost coverage and submit the information DHS needs to redetermine eligibility.

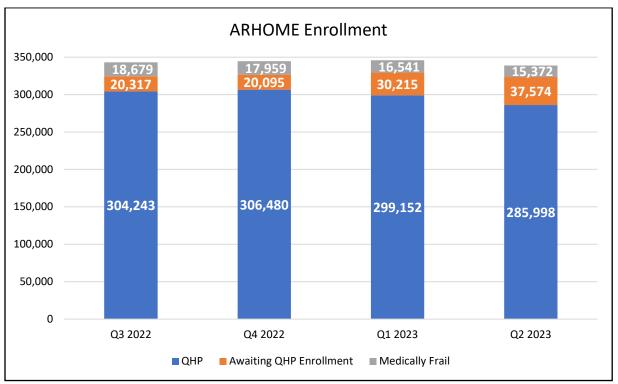
Medically Frail and QHP Enrollment

Upon enrollment in the ARHOME program, beneficiaries are placed into two categories.

- Medically frail
- Awaiting enrollment into a QHP

Medically frail beneficiaries have health care needs that are better served by the traditional Medicaid program. They do not enroll in a QHP; instead they receive health care services through traditional fee for service Medicaid. About 5% of ARHOME beneficiaries are considered medically frail

Individuals who are not medically frail begin the process of enrolling in a QHP. These beneficiaries have 42 days to select a QHP offered on the state's health insurance Marketplace. Those who do not select a plan are auto-enrolled in a QHP. Those who are auto-enrolled have another 30 days to change their plan before their QHP coverage begins. Most ARHOME beneficiaries are enrolled in a QHP.



Enrollment as of the first day of each quarter (data pulled on May 8, 2023)

Due to the high percentage of QHP enrollees in the program, beginning September 1, 2022, DHS opted to suspend enrollee auto-assignment into QHPs to help with budgetary constraints. State law and other guidance allow DHS to suspend auto-assignment if the total ARHOME enrollment exceeds 320,000 and the percentage of ARHOME beneficiaries enrolled in a QHP exceeds 80%. During the suspension, new ARHOME beneficiaries receive medical coverage

through traditional Medicaid fee for service, meaning DHS is not paying a premium for those beneficiaries regardless of their use of medical services. Instead, DHS is paying the Medicaid provider reimbursement rate for medical claims beneficiaries actually use. During the auto-assignment suspension, beneficiaries remain free to select a QHP if they choose. The agreement with the ARHOME carriers calls for the resumption of auto assignment when the percentage of ARHOME beneficiaries enrolled in a QHP drops below 80%.

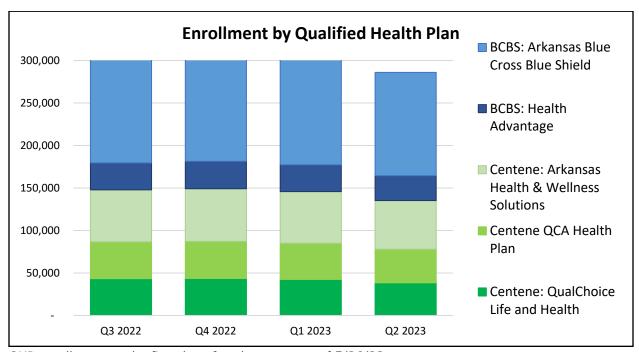
After nine months of suspended auto-enrollment, QHP enrollments dropped below 80% of all ARHOME enrollments at the end of May, and auto-assignment resumed. About 25,000 beneficiaries who had been awaiting QHP enrollment were assigned to a QHP, with an enrollment start date of August 1, 2023.

Health insurer participation and competition

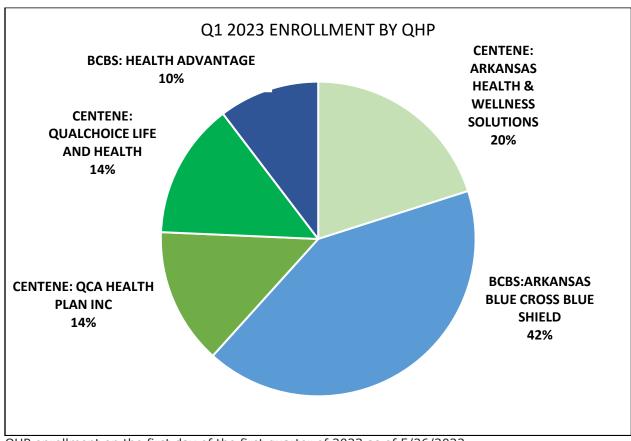
The ARHOME program currently purchases QHP coverage from two insurance carriers, Centene and Arkansas Blue Cross and Blue Shield (BCBS). Centene offers three QHPs for ARHOME beneficiaries, and BCBS offers two. Arkansas Blue Cross and Blue Shield have indicated they intend to introduce a third QHP to the ARHOME program in 2024.

The following charts show:

- ARHOME enrollment in each QHP on the first day of quarters three and four of 2022 and quarters one and two of 2023
- The percentage of ARHOME enrollees enrolled in each QHP in the first quarter of 2023.



QHP enrollment on the first day of each quarter as of 5/26/23.



QHP enrollment on the first day of the first quarter of 2023 as of 5/26/2023.

Premium and cost-sharing reduction costs

For ARHOME beneficiaries, DHS purchases the lowest cost qualifying silver-level plan offered in a service area and those within 10% of the lowest cost plan. The plans DHS purchases are available to the public on the Arkansas Health Insurance Marketplace and cover the 10 essential health benefits all Marketplace plans are required to cover under the Affordable Care Act, which include:

- Ambulatory patient services
- Emergency services
- Hospitalization
- Pregnancy, maternity, and newborn care
- Mental health & substance use disorder services
- Prescription drugs

- Rehabilitative and habilitative services & devices
- Laboratory services
- Preventive & wellness services and chronic disease management
- Pediatric services

Individuals in fee for service awaiting enrollment in a QHP receive the same benefits as those offered by the QHPs.

Cost Sharing

Prior to 2023 individuals at or below 100% of the federal poverty level (\$14,580 for a single person) did not pay a premium or any copays for the care they receive. Individuals above 100% FPL paid a \$13 premium each month for their coverage. They also paid a \$4 or \$8 copay when they accessed medical services, up to a maximum of \$60 per quarter.

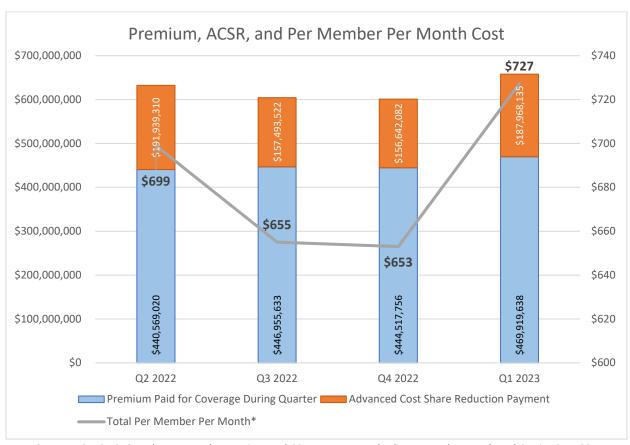
DHS changed the cost sharing structure of the ARHOME program, beginning January 1, 2023. The changes are outlined in the following table:

	Prior to 2023	Beginning 2023				
Beneficiaries who are subject to cost sharing	Only ARHOME beneficiaries above 100% FPL who are enrolled in a QHP	Beneficiaries above 20% FPL enrolled in a QHP and those awaiting enrollment in a QHP. Some individuals are exempt (e.g., 19- and 20-year-olds)				
Premiums	\$13 per month	No premiums, per CMS	5			
Service-specific copay amounts						
Copay limits	\$60 per quarter	Quarterly copay limit is based on household federal poverty level				
		FPL	Copay Limit			
		0%-20%	\$0			
		21%-40%	\$27			
		41%-60%	\$54			
		61%-80%	\$81			
		81%-100%	\$108			
		101%-120%	\$135			
		121%-138%	\$163			
Beneficiaries whose copays contribute to meeting the copay limit	Individual only	The ARHOME beneficiary and all Medicaid beneficiaries who pay copa in the individual's family (not including ARKids B beneficiaries), per CMS requirements				

Advanced Cost Sharing Reduction Payment

The silver-level plans sold on the Marketplace charge higher copays than the \$4.70 or \$9.40 ARHOME beneficiaries pay. For example, a plan might normally have a \$50 copay for a doctor's visit. ARHOME beneficiaries pay just \$4.70 of that \$50 copay, and DHS is responsible for the rest. DHS makes a monthly payment, known as an Advanced Cost Share Reduction (ACSR) payment, to the QHPs to cover the amount of the copay not paid by ARHOME beneficiaries. This is an estimated up-front payment to cover beneficiary copays. At the end of the year, the estimated amounts are compared against actual copays incurred, and reconciliation payments are made to settle any uncovered costs or overpayments.

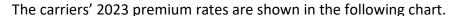
For each beneficiary, DHS pays the plan's monthly premium and an ACSR payment. For the first two quarters of 2022, the ACSR averaged about 43% of the premium amount. DHS lowered the ACSR percentage paid to the carriers to 35% of the premium beginning July 1 to avoid exceeding the budget neutrality cap set in the waiver agreement with CMS (\$717.25 per member per month for 2022). The ACSR rates for 2023 were raised to 40% of each premium rate, raising the per member per month expenditures for the first quarter of 2023 to \$727. The per member per month expenditure remains under the \$758.85 budget neutrality cap for 2023.

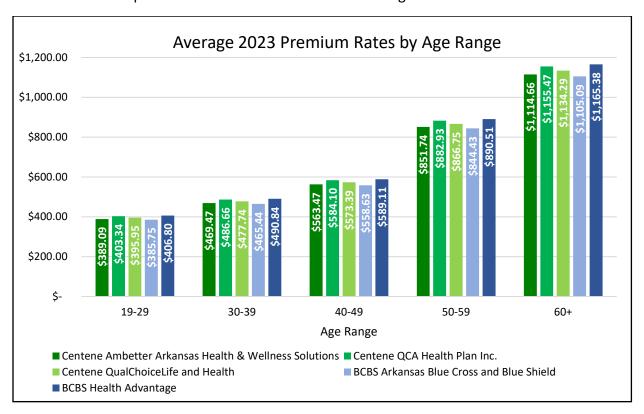


Source: 13513 10591 Arkansas Works Premium and CSR Payments and Adjustments by Month and Carrier 051123 *Does not include wrap costs for non-emergency transportation or EPSDT services for 19- and 20-year-olds

Qualified Health Plan Rates

The carriers set the premiums they charge for each plan they sell on the Marketplace. The 2023 premiums DHS pays for each plan range from just under \$330 per month for a 19-year-old non-smoker in one plan to more than \$1,300 per month for 64-year-old tobacco user in another plan. The average premium paid in the first quarter of 2023 was about \$520 per member per month.



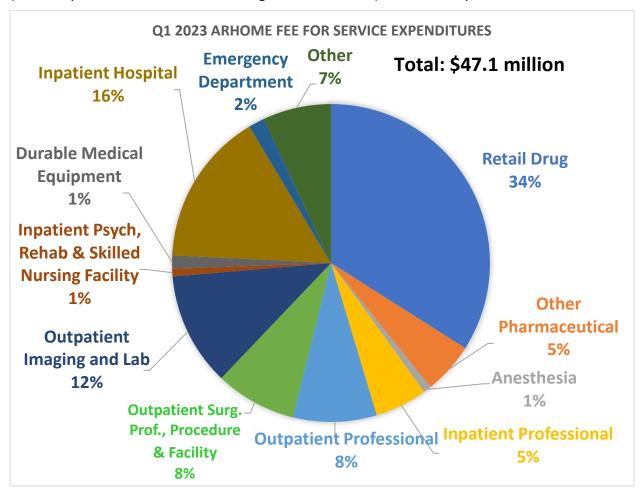


The 2023 rates increased between 3% and 7%, depending on the carrier and the plan, compared with the 2022 premium rates.

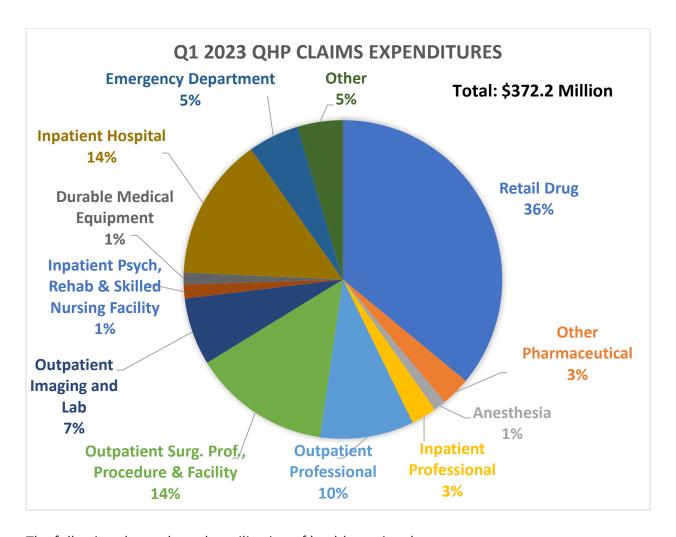
	Average % Increase in Rates Between 2022 and 2023
Centene Ambetter Arkansas Health & Wellness Solutions	7%
Centene QCA Health Plan Inc.	5%
Centene QualChoiceLife and Health	3%
BCBS Arkansas Blue Cross and Blue Shield	4%
BCBS Health Advantage	5%

Utilization

Medical claims for ARHOME beneficiaries are processed in different systems, depending on whether the beneficiary is in a QHP or in traditional fee for service Medicaid. FFS Medicaid claims are paid from the Medicaid MMIS billing system, while the individual QHPs process medical claims for ARHOME beneficiaries through their own systems. The chart below shows expenditures for ARHOME beneficiaries enrolled in traditional fee for service Medicaid (medically frail and individuals awaiting QHP enrollment) for the first quarter of CY 2023.



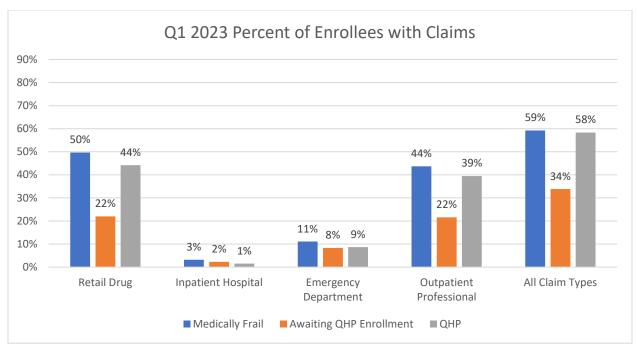
The QHPs are required to provide DHS quarterly data on the claims they pay on behalf of ARHOME beneficiaries. The following chart shows the claims that QHPs reported paying during the first quarter of CY 2023 for ARHOME beneficiaries.

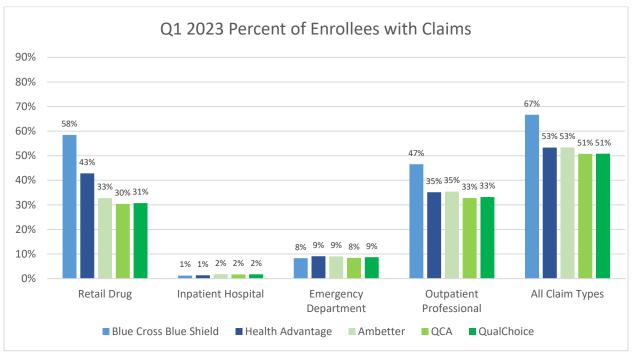


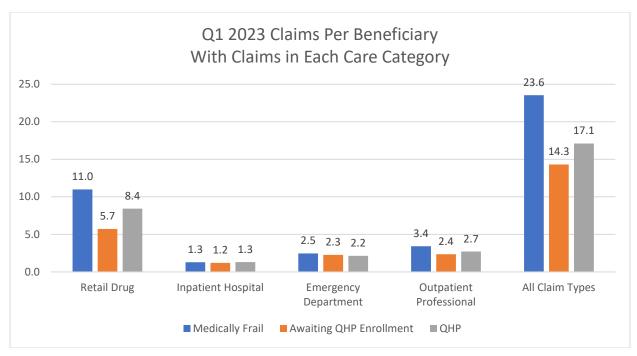
The following charts show the utilization of health services by

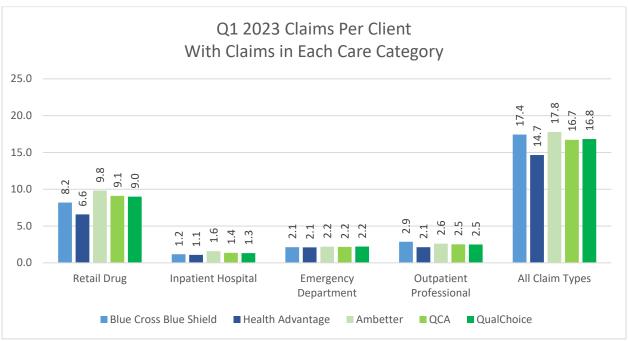
- Percent of beneficiaries with health claims
- Number of claims per beneficiary among beneficiaries with a claim in each service category (e.g., number of pharmacy claims per beneficiary among all beneficiaries with a pharmacy claim)
- Expenditures per beneficiary among beneficiaries with a claim in each service category (e.g., total pharmacy expenditures per beneficiary among all beneficiaries with pharmacy claims)

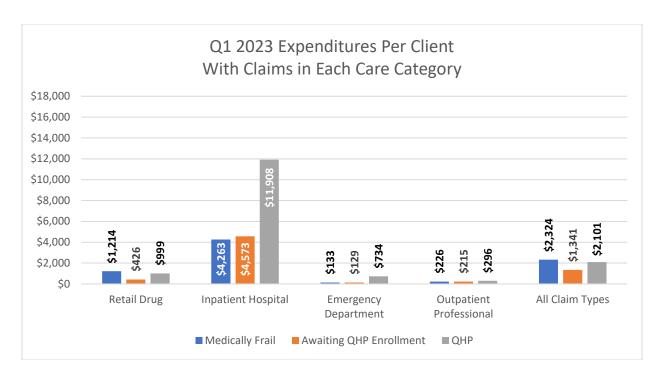
The data are provided for Q1 2023 for medically frail, beneficiaries awaiting enrollment in a QHP, all beneficiaries in a QHP, and by each individual QHP.

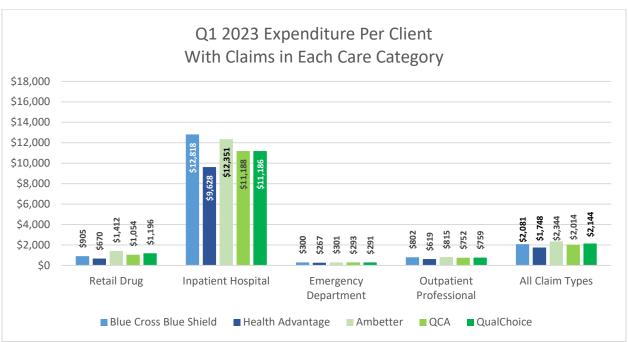












Individual qualified health insurance plan health improvement outcomes

One of the main goals of the ARHOME program is to improve beneficiaries' health. New program provisions require QHPs to take responsibility for generating that improvement. In 2023, QHPs must provide at least two health improvement incentives to encourage the use of preventive care and two health improvement incentives for each of the following populations:

- Pregnant women, particularly those with high-risk pregnancies
- Individuals with mental illness
- Individuals with substance use disorder.
- Individuals with two or more chronic conditions

QHPs also submitted annual strategic plans that included activities they would take to meet quality and performance metrics and activities to improve the health outcomes of people living in rural areas and the populations listed above.

It's too early to assess the results of these initiatives for either 2022 or 2023. The 2022 performance targets on the following metrics were set in December 2021 based on historical performance on health quality measures for 2019 and 2020, and results will be presented during the September ARHOME Advisory Panel meeting. The 2022 performance targets were based on the best performing QHP for each metric over the three years and are highlighted in orange in the table below. The 2023 performance targets were set in January 2023 based on performance in 2019, 2020 and 2021. For 2023, an additional set of targets were established based on the median performance of all five QHPs across the three years and individual QHP improvement. These additional targets allowed the QHPs to get credit for improvement, even if they don't match the performance of the best performing QHP.

Program breakouts on the metrics are also available by race and by rural/urban areas of the state.

					By (QHP)¥¥			Rural/	Urban		By F	Race	
Measure	СУ	ARHOME Overall*	BCBS: Blue Cross Blue Shield	BCBS: Health Advantage	Centene: Ambetter	Centene: QCA	Centene: Qual Choice	Urban	Rural	White	Black	Other	Unknown
Preventive Care			•				•						
	2019	46.0%	44.4%	N/A	42.1%	31.0%	30.2%	46.2%	45.9%	45.3%	50.4%	50.9%	41.0%
Cervical Cancer Screening, 21-64 Years	2020	43.5%	41.3%	N/A	38.4%	29.3%	29.6%	43.8%	43.2%	43.0%	48.6%	46.4%	38.0%
	2021	41.7%	42.3%	16.0%	40.0%	30.8%	31.1%	42.0%	41.3%	40.7%	45.9%	46.4%	36.2%
Chlamydia Screening in Women, 21-24	2019	53.9%	53.6%	N/A	53.6%	55.5%	55.2%	52.7%	55.5%	49.5%	65.6%	57.0%	50.9%
Years	2020	52.5%	49.7%	N/A	54.7%	52.3%	55.4%	52.4%	52.6%	46.8%	65.0%	50.3%	53.7%
i cars	2021	53.9%	51.3%	50.0%	53.1%	56.8%	57.3%	54.4%	53.1%	48.7%	66.3%	55.2%	51.3%
	2019	50.8%	54.0%	N/A	49.1%	38.7%	42.2%	50.5%	51.0%	49.0%	55.4%	57.9%	50.7%
Breast Cancer Screening, 50-64 Years	2020	47.7%	50.90%	N/A	47.1%	40.5%	41.0%	48.2%	47.2%	46.0%	52.8%	52.6%	47.5%
	2021	44.5%	47.6%	N/A	44.4%	39.3%	40.2%	44.7%	44.3%	42.4%	50.7%	47.6%	44.9%
Maternal and Perinatal Care													
Contraceptive Care – Postpartum	2019	54.3%	54.7%	N/A	53.9%	50.4%	58.4%	52.7%	56.6%	55.3%	54.5%	49.4%	53.6%
Women, Most or Moderately Effective	2020	48.9%	46.6%	N/A	50.0%	46.5%	49.8%	47.3%	51.3%	52.5%	48.1%	40.7%	43.9%
Contraception - 60 Day: 21-44 Years	2021	45.8%	46.4%	38.7%	44.6%	43.6%	49.8%	42.8%	50.0%	48.2%	44.7%	41.8%	39.6%
Contraceptive Care – All Women, Most or	2019	25.5%	27.0%	N/A	24.0%	24.3%	24.3%	25.7%	25.3%	25.2%	26.0%	26.4%	25.6%
Moderately Effective Contraception: 21-	2020	23.8%	25.2%	N/A	22.3%	22.4%	21.5%	24.1%	23.4%	23.5%	24.2%	23.9%	24.1%
44 Years	2021	22.9%	24.6%	19.0%	21.3%	22.4%	22.0%	23.0%	22.7%	22.4%	23.7%	23.3%	23.4%
Law Birth Waisht Barrantan of live	2019	10.2%	10.2%	N/A	10.5%	9.8%	9.3%	10.3%	10.1%	8.7%	14.8%	8.6%	8.8%
Low Birth Weight, Percentage of live	2020	10.8%	11.1%	N/A	10.8%	11.5%	9.6%	11.3%	10.0%	9.7%	15.9%	5.8%	9.7%
births weighing < 2,500 grams	2021	10.8%	9.8%	11.6%	12.1%	11.7%	9.6%	11.6%	9.9%	9.0%	17.1%	8.9%	7.4%
Very Low Birth Weight, Percentage of live births weighing < 1,500 grams	2019	1.4%	1.2 %	N/A	1.7%	1.2%	1.2%	1.3%	1.4%	1.0%	2.4%	0.6%	1.5%
	2020	1.6%	1.6%	N/A	1.8%	1.7%	1.2%	1.8%	1.3%	1.3%	2.9%	1.0%	1.0%
	2021	1.6%	1.3%	2.5%	1.7%	1.5%	1.3%	1.9%	1.2%	1.2%	2.7%	1.4%	1.3%
Des Town Birth Bosseston of live 1991	2019	13.5%	13.3%	N/A	14.0%	14.4%	12.2%	13.3%	13.7%	13.6%	16.1%	10.9%	10.3%
Pre-Term Birth, Percentage of live births	2020	12.8%	13.6%	N/A	14.2%	11.8%	11.2%	13.2%	12.2%	12.8%	15.9%	9.1%	10.6%
17 - 36 weeks gestation	2021	13.0%	12.7%	13.2%	15.2%	13.1%	11.1%	12.9%	13.1%	12.4%	16.4%	10.0%	11.1%

					By (QHP)¥¥			Rural/	Urban	By Race			
Measure	СУ	ARHOME Overall¥	BCBS: Blue Cross Blue Shield	BCBS: Health Advantage	Centene: Ambetter	Centene: QCA	Centene: Qual Choice	Urban	Rural	White	Black	Other	Unknown
Care of Acute and Chronic Condition	ns			l.			l.	l.	I.	l.	l.	I.	
Diabetes Short-Term Complications	2019	26.2	14.2	N/A	16.8	16.4	22.4	27.4	24.8	26.6	26.8	20.2	26.7
Admission Rate, 19-64 Years <i>(Lower is</i>	2020	21.4	14.2	N/A	15.5	30.9	27.5	24.0	18.2	22.6	26.2	10.2	17.7
Better)	2021	21.9	16.7	23.0	14.6	18.7	17.7	23.0	20.2	22.0	26.4	16.0	18.8
Chronic Obstructive Pulmonary Disease	2019	40.9	24.9	N/A	32.2	18.3	23.4	39.3	42.8	45.8	26.4	33.0	41.1
(COPD) or Asthma in Older Adults	2020	23.2	14.3	N/A	17.2	19.2	7.7	22.5	24.1	25.6	20.4	8.5	23.4
Admission Rate, 40-64 Years (Lower is Better)	2021	19.4	17.5	12.2	17.1	11.7	8.7	15.5	24.1	24.7	14.4	6.8	9.2
,	2019	23.9	13.9	N/A	13.5	12.3	13.9	28.1	18.8	19.4	36.8	13.7	28.7
Heart Failure Admission Rate, 19-64 Years	2020	22.8	14.4	N/A	16.3	18.3	10.9	27.0	17.4	19.8	36.8	13.8	21.6
(Lower is Better)	2021	21.7	14.8	18.1	18.4	13.1	11.7	25.3	17.1	19.6	34.8	10.8	18.8
Asthma in Younger Adults Admission	2019	4.8	3.1	N/A	3.3	2.1	2.1	5.1	4.5	4.1	9.6	2.4	2.9
Rate, 19-39 Years	2020	2.1	1.6	N/A	2.0	1.7	2.8	2.0	2.2	1.9	4.5	1.4	0.6
(Lower is Better)	2021	1.7	1.8	0.0	1.0	1.2	1.8	1.5	2.0	1.6	3.0	1.1	0.9
Plan All-Cause Readmissions,	2019	0.8506	0.8071	N/A	0.8003	0.7065	0.9174	0.8268	0.8801	0.8635	0.8239	0.7190	0.8502
Observed/Expected Ratio: 19-64 Years	2020	0.7743	0.7072	N/A	0.7528	0.4663	0.3911	0.7834	0.7624	0.7967	0.8003	0.7193	0.6705
(Lower is Better)	2021	0.8457	0.7291	7.1528	0.8802	0.9275	0.8545	0.8301	0.8754	0.8318	0.8896	0.7701	0.8879
	2019	46.9%	48.4%	N/A	45.3%	50.0%	54.5%	50.2%	43.3%	47.6%	47.4%	51.0%	42.9%
Asthma Medication Ratio, 19-64 Years	2020	42.4%	43.6%	N/A	36.9%	43.0%	36.1%	45.6%	38.2%	43.3%	40.0%	41.9%	41.7%
	2021												
Behavioral Health Care													
Initiation and Engagement of Alcohol and Other Drug Abuse or Dependence	2019	37.9%	37.4%	N/A	38.5%	44.0%	41.5%	37.3%	38.8%	39.1%	31.8%	36.9%	39.5%
Treatment, Initiation of AOD Treatment - Total AOD Abuse or Dependence: 19-64 Years	2020	39.2%	39.8%	N/A	40.2%	37.4%	38.5%	39.3%	39.2%	40.5%	32.5%	37.7%	41.2%
	2021	40.1%	41.5%	42.5%	40.8%	38.8%	38.3%	40.4%	39.8%	41.5%	34.9%	39.4%	39.4%
Initiation and Engagement of Alcohol and Other Drug (AOD) Abuse or Dependence Treatment, Engagement of AOD	2019	8.6%	9.6%	N/A	9.8%	10.3%	8.6%	8.3%	9.0%	9.5%	5.1%	8.6%	8.4%
	2020	9.7%	9.5%	N/A	12.0%	9.1%	10.1%	9.2%	10.4%	10.7%	4.6%	9.8%	10.6%
Treatment - Total AOD Abuse or Dependence: 19-64 Years	2021	11.8%	12.1%	13.2%	13.5%	11.4%	9.8%	12.0%	11.3%	12.8%	7.6%	10.1%	11.8%
			By (QHP)¥¥		Rural/	Urban	By Race						

Measure	CY	ARHOME Overall¥	BCBS: Blue Cross Blue Shield	BCBS: Health Advantage	Centene: Ambetter	Centene: QCA	Centene: Qual Choice	Urban	Rural	White	Black	Other	Unknown
Antidepressant Medication Management,	2019	52.9%	55.5%	N/A	56.0%	48.7%	54.8%	52.6%	53.3%	55.0%	40.5%	48.2%	56.6%
Effective Acute Phase Treatment: 19-64	2020	54.0%	56.7%	N/A	55.1%	50.8%	52.2%	54.4%	53.4%	56.6%	39.4%	51.9%	56.6%
Years	2021	58.1%	59.2%	72.2%	60.7%	57.2%	58.1%	58.8%	57.1%	60.7%	45.4%	56.5%	60.3%
Antidepressant Medication Management,	2019	37.1%	39.6%	N/A	39.2%	35.6%	35.6%	38.0%	36.0%	39.3%	25.6%	32.0%	39.7%
Effective Continuation Phase Treatment:	2020	38.1%	41.3%	N/A	38.3%	35.2%	35.0%	38.2%	38.0%	40.5%	24.6%	37.0%	40.7%
19-64 Years	2021	41.4%	43.1%	61.1%	42.2%	38.6%	41.9%	41.9%	40.6%	44.0%	27.5%	39.5%	44.6%
Adherence to Antipsychotic Medications	2019	44.1%	47.2%	N/A	34.8%	65.0%	38.5%	41.1%	47.3%	47.5%	36.6%	41.2%	42.1%
for Individuals With Schizophrenia, 19-64	2020	47.2%	44.2%	N/A	46.4%	52.1%	43.3%	45.7%	49.1%	50.8%	43.2%	48.5%	39.1%
Years	2021	41.2%	44.8%	40.0%	39.9%	40.6%	41.0%	38.4%	45.0%	44.8%	33.6%	41.9%	35.4%
Use of Pharmacotherapy for Opioid Use	2019	39.0%	47.1%	N/A	36.5%	40.2%	45.1%	35.0%	45.4%	42.3%	15.6%	28.6%	34.4%
Disorder, Overall Total: 19-64 Years	2020	51.3%	54.0%	N/A	54.1%	55.3%	51.6%	49.4%	54.1%	55.2%	19.9%	45.0%	49.6%
	2021	56.8%	60.7%	65.4%	57.8%	56.6%	56.1%	54.6%	60.9%	59.8%	28.1%	54.1%	53.9%
Diabetes Screening for People With	2019	79.2%	80.5%	N/A	80.6%	75.2%	81.1%	79.6%	78.8%	80.3%	75.2%	78.9%	78.3%
Schizophrenia or Bipolar Disorder Who Are Using Antipsychotic Medications, 19-	2020	77.6%	78.3%	N/A	79.2%	76.0%	79.4%	77.3%	78.1%	78.1%	79.5%	73.2%	75.7%
64 Years	2021	79.7%	80.2%	78.1%	81.1%	80.5%	79.4%	79.5%	79.8%	80.5%	80.0%	79.9%	74.1%
Use of Opioids at High Dosage in Persons	2019	1.1%	1.3%	N/A	1.1%	1.1%	0.7%	1.4%	0.7%	1.0%	0.8%	0.7%	1.5%
Without Cancer (Lower is Better), 19-64	2020	1.0%	1.4%	N/A	1.2%	0.3%	0.2%	1.5%	0.6%	1.0%	0.8%	1.5%	1.3%
Years	2021	0.8%	0.9%	1.8%	0.9%	0.6%	0.4%	1.1%	0.5%	1.0%	0.4%	0.7%	0.6%
Concurrent Use of Opioids and	2019	20.9%	21.5%	N/A	17.8%	16.0%	20.0%	21.6%	20.1%	23.7%	11.1%	17.7%	20.8%
Benzodiazepines, 19-64 Years (Lower is	2020	18.9%	20.9%	N/A	16.3%	13.8%	15.0%	19.2%	18.5%	21.2%	11.0%	18.6%	18.3%
Better)	2021	17.2%	20.1%	15.8%	14.0%	12.3%	11.7%	17.3%	17.0%	19.4%	10.5%	13.8%	16.2%
Follow-Up After Emergency Department	2019	8.7%	8.6%	N/A	11.8%	4.3%	2.9%	8.7%	8.7%	9.1%	7.2%	8.8%	8.7%
Visit for Alcohol and Other Drug Abuse or Dependence, Received Follow-Up Within	2020	11.0%	8.5%	N/A	16.8%	10.3%	9.1%	10.7%	11.5%	12.5%	5.9%	9.0%	11.3%
30 Days of ED Visit: 19-64 Years	2021	11.7%	8.7%	9.6%	15.9%	12.5%	12.3%	11.5%	12.0%	12.9%	7.1%	13.1%	12.0%
Follow-Up After Emergency Department	2019	37.3%	41.7%	N/A	35.4%	30.1%	18.6%	33.9%	42.2%	40.3%	26.6%	33.3%	40.5%
Visit for Mental Illness, Received Follow-	2020	33.0%	32.6%	N/A	27.7%	27.8%	33.3%	30.9%	35.9%	35.1%	28.2%	31.0%	31.2%
Up Within 30 Days of ED Visit: 19-64 Years	2021	28.7%	26.9%	18.1%	27.7%	26.0%	32.6%	27.3%	30.3%	31.2%	17.3%	38.6%	30.3%

			By (QHP)¥¥					Rural/	Rural/Urban By Rac				
Measure	S	ARHOME Overall*	BCBS: Blue Cross Blue Shield	BCBS: Health Advantage	Centene: Ambetter	Centene: QCA	Centene: Qual Choice	Urban	Rural	White	Black	Other	Unknown
Follow-Up After Hospitalization for	2019	37.0%	43.4%	N/A	24.6%	37.2%	35.6%	37.8%	36.0%	36.6%	32.7%	37.4%	41.2%
Mental Illness: Age 19 to 64, Received Follow-Up Within 30 Days of Discharge:	2020	36.7%	41.6%	N/A	39.0%	23.5%	29.7%	37.2%	36.1%	37.2%	33.1%	38.4%	37.2%
19-64 Years	2021	34.6%	39.1%	27.9%	31.9%	32.6%	32.5%	34.9%	34.4%	36.3%	30.0%	32.0%	32.2%

Economic Independence Initiative Outcomes

DHS requires QHPs to include in their annual strategic plans activities to support the Economic Independence Initiative. The QHPs cited the following activities in their 2022 strategic plans as those they were implementing to promote economic independence in 2022.

- Promote member participation in employment, education, and training programs through websites, member portal, and welcome centers.
- Train member-facing staff on the economic independence goals of ARHOME and incorporate messaging promoting participation in employment, education, and training activities in appropriate member interactions.
- Refer members to the Arkansas Division of Workforce Services' (ADWS) website and programming.
- Provide a financial incentive to members who provide proof of completion of ADWS's free Career Readiness Certificate (CRC) at the Platinum, Gold, Silver, or Bronze level.
- Host a dedicated web page to address the DHS Economic Independence Initiative.
- Partner with the Little Rock Workforce System and the Rural Life360 HOMEs (see Community Bridge Organizations below) to host career expos and job/health fairs.
 These fairs were to feature community organizations and the use of incentives to encourage attendance.

Additionally, QHPs were required to offer one economic independence incentive in 2022 to encourage advances in beneficiaries' economic status or employment prospects. The table below provides the incentives each QHP offered in 2022 and the beneficiaries awarded.

QHP	Incentive Activity	Beneficiaries Awarded	Total Incentive Awarded
Blue Cross and	Earn an Arkansas Career Readiness certificate	2	\$90
Blue Shield	and send into Arkansas Blue Cross and Blue		
Health Advantage	Shield for verification.	0	\$0
Ambetter	View videos on various financial topics to encourage savings, debt reduction and smart purchasing choices. The member views	4,131	\$186,726
QualChoice Life	available videos on the member's secure portal. Upon completion, members earn a My Health Pays reward and can shop at the	1,262	\$52,240
QCA	Rewards store online or convert points into money (10 points = \$1.00) to use towards healthcare-related costs or monthly bills.	1,206	\$50,234

Other Reporting Requirements

For two of the ARHOME statutory reporting requirements, it's too early in the program to provide outcomes or data. This section of the report provides updates for these items, with more information to be provided as it becomes available.

Sanctions or penalties assessed on participating individual qualified health insurance plans

DHS will measure the QHP's performance on the health care quality metrics that DHS has selected. In 2023, DHS may require a corrective action plan from any QHP that fails to meet performance targets during Plan Year 2022. Results for 2022 will be presented during the September 2023 ARHOME Advisory Panel meeting.

For 2023, DHS will measure the QHPs' performance on based on three performance targets.

- One based on the best QHP performance for each health metric in 2019, 2020, and 2021.
- One based on the median performance of all QHPs performance across 2019, 2020, and 2021.
- A QHP-specific improvement target, based on 4% improvement from the QHP's best performance from 2019, 2020 and 2021.

A QHP earns points specified in 2023 for each target it meets. The total number of points the QHP earns will determine the per-member month penalty shown in the table below. The total penalty for a QHP will be calculated as the penalty from the table below multiplied by the QHP's total 2023 member months.

	Penalty Per
Points	Member Month
50-108	No penalty
40-49	\$0.90
30-39	\$1.80
20-29	\$2.70
10-19	\$3.60
0-9	\$4.50

Community bridge organization outcomes

A significant new feature planned for ARHOME is the Life360 HOME, a program modeled after the federal community bridge organization concept. Under the Life360 HOME plan, DHS will contract with hospitals to become one of three different types of Life360 HOMEs to provide additional support for three ARHOME focus populations:

- Maternal Life360 HOMEs: Women with high-risk pregnancies
- Rural Life360 HOMEs: Individuals in rural areas with behavioral health needs

Success Life360 HOMEs: Young adults who are most at risk of long-term poverty, including
those who were previously in foster care, incarcerated, or in the juvenile justice system and
those who are veterans.

DHS will contract with hospitals to provide a broad array of intensive care coordination services for these populations within the ARHOME program (and to beneficiaries in other Medicaid programs who are participating in the Maternal Life360 HOME program). The care coordination services include home visitation for women with high-risk pregnancies and assistance addressing social determinants of health needs and enhancing life skills. The Life360 HOME hospitals will coordinate with the beneficiaries' medical providers, but medical services will continue to be covered by the individual's QHP or fee-for-service Medicaid.

CMS approved the Life360 HOME program on November 1, 2022. DHS has begun talks with interested hospitals and has received letters of intent (the first step in the application process) from eight hospitals that would like to enroll in the program (seven for Maternal and one for Rural). One hospital has since withdrawn its letter of intent. DHS has received three full applications, completing the second step in the application process. More information about the program can be found at www.ar.gov/life360.

Appendix

23-61-1011. Health and Economic Outcomes Accountability Oversight Advisory Panel.

- (a) There is created the Health and Economic Outcomes Accountability Oversight Advisory Panel.
- **(b)** The advisory panel shall be composed of the following members:
 - (1) The following members of the General Assembly:
 - (A) The Chair of the Senate Committee on Public Health, Welfare, and Labor;
 - (B) The Chair of the House Committee on Public Health, Welfare, and Labor;
 - **(C)** The Chair of the Senate Committee on Education;
 - (D) The Chair of the House Committee on Education;
 - (E) The Chair of the Senate Committee on Insurance and Commerce;
 - (F) The Chair of the House Committee on Insurance and Commerce;
 - (G) An at-large member of the Senate appointed by the President Pro Tempore of the Senate;
 - **(H)** An at-large member of the House of Representatives appointed by the Speaker of the House of Representatives;
 - (I) An at-large member of the Senate appointed by the minority leader of the Senate; and
 - (J) An at-large member of the House of Representatives appointed by the minority leader of the House of Representatives;
 - (2) The Secretary of the Department of Human Services;
 - (3) The Arkansas Surgeon General;
 - (4) The Insurance Commissioner;
 - (5) The heads of the following executive branch agencies or their designees:
 - (A) Department of Health;
 - (B) Department of Education;
 - **(C)** Department of Corrections;
 - (D) Department of Commerce; and
 - (E) Department of Finance and Administration;
 - (6) The Executive Director of the Arkansas Minority Health Commission; and

(7)

- (A) Three (3) community members who represent health, business, or education, who reflect the broad racial and geographic diversity in the state, and who have demonstrated a commitment to improving the health and welfare of Arkansans, appointed as follows:
 - (i) One (1) member shall be appointed by and serve at the will of the Governor;
 - (ii) One (1) member shall be appointed by and serve at the will of the President Pro Tempore of the Senate; and
 - (iii) One (1) member shall be appointed by and serve at the will of the Speaker of the House of Representatives.
- (B) Members serving under subdivision (b)(7)(A) of this section may receive mileage reimbursement.

(c)

- (1) The Secretary of the Department of Human Services and one (1) legislative member shall serve as the cochairs of the Health and Economic Outcomes Accountability Oversight Advisory Panel and shall convene meetings quarterly of the advisory panel.
- (2) The legislative member who serves as the cochair shall be selected by majority vote of all legislative members serving on the advisory panel.

(d)

- (1) The advisory panel shall review, make nonbinding recommendations, and provide advice concerning the proposed quality performance targets presented by the Department of Human Services for each participating individual qualified health insurance plan.
- (2) The advisory panel shall deliver all nonbinding recommendations to the Secretary of the Department of Human Services.

(3)

- (A) The Secretary of the Department of Human Services, in consultation with the State Medicaid Director, shall determine all quality performance targets for each participating individual qualified health insurance plan.
- **(B)** The Secretary of the Department of Human Services may consider the nonbinding recommendations of the advisory panel when determining quality performance targets for each participating individual qualified health insurance plan.
- (e) The advisory panel shall review:
 - (1) The annual quality assessment and performance improvement strategic plan for each participating individual qualified health insurance plan;
 - (2) Financial performance of the Arkansas Health and Opportunity for Me Program against the budget neutrality targets in each demonstration year;
 - (3) Quarterly reports prepared by the Department of Human Services, in consultation with the Department of Commerce, on progress towards meeting economic independence outcomes and health improvement outcomes, including without limitation:
 - (A) Community bridge organization outcomes;
 - (B) Individual qualified health insurance plan health improvement outcomes;
 - (C) Economic independence initiative outcomes; and
 - (D) Any sanctions or penalties assessed on participating individual qualified health insurance plans;
 - (4) Quarterly reports prepared by the Department of Human Services on the Arkansas Health and Opportunity for Me Program, including without limitation:
 - (A) Eligibility and enrollment;
 - (B) Utilization;
 - (C) Premium and cost-sharing reduction costs; and
 - (D) Health insurer participation and competition; and
 - (5) Any other topics as requested by the Secretary of the Department of Human Services.

(f)

- (1) The advisory panel may furnish advice, gather information, make recommendations, and publish reports.
- (2) However, the advisory panel shall not administer any portion of the Arkansas Health and Opportunity for Me Program or set policy.
- (g) The Department of Human Services shall provide administrative support necessary for the advisory panel to perform its duties.
- (h) The Department of Human Services shall produce and submit a quarterly report incorporating the advisory panel's findings to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the public on the progress in health and economic improvement resulting from the Arkansas Health and Opportunity for Me Program, including without limitation:
 - (1) Eligibility and enrollment;
 - (2) Participation in and the impact of the economic independence initiative and the health improvement initiative of the eligible individuals, health insurers, and community bridge organizations;
 - (3) Utilization of medical services;
 - (4) Premium and cost-sharing reduction costs; and
 - (5) Health insurer participation and completion.