

IMPROVING YOUR HEALTH AND EXPANDING YOUR OPPORTUNITIES

# ARHOME Health and Economic Outcomes Accountability Oversight Advisory Panel

Quarterly Report



# **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 27.)

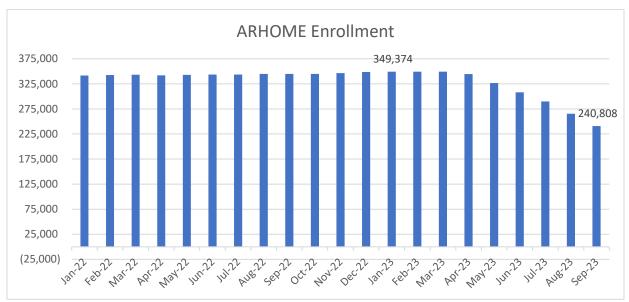
On June 1, 2023, DHS submitted to CMS a proposed amendment to the ARHOME waiver. The proposal requests permission to implement the Opportunities for Success Initiative. Through the Initiative, DHS seeks to provide focused care coordination services provided by a Success Coach to beneficiaries who are 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: <a href="Arkansas Health and">Arkansas Health and</a>
<a href="Opportunity for Me">Opportunity for Me</a> (ARHOME) Program - Arkansas Department of Human Services.</a>
<a href="CMS">CMS</a> posted the proposal on its website for the federal public comment period: <a href="1115 Waiver Demonstration">1115 Waiver Demonstration</a>
<a href="Arkansas Health and Opportunity for Me">ARHOME</a>) - Amendment Request (govdelivery.com).
<a href="CMS">CMS</a> received 12 public comments, which can be viewed at the link above.

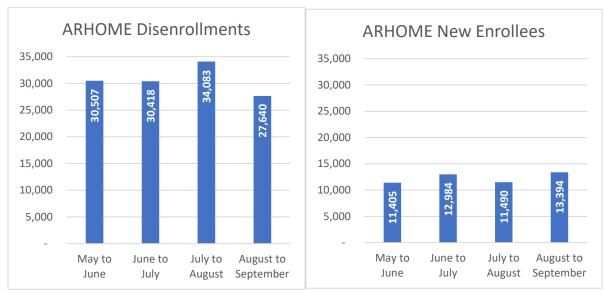
# Eligibility and enrollment

The ARHOME program currently covers about 241,000 beneficiaries. 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 remained enrolled during the PHE.



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

The federal government established the end of the continuous enrollment condition, 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 spanned six months and will end at the end of September. To process renewal applications timely, DHS scheduled renewals in phases, and ARHOME beneficiaries were among the first 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.



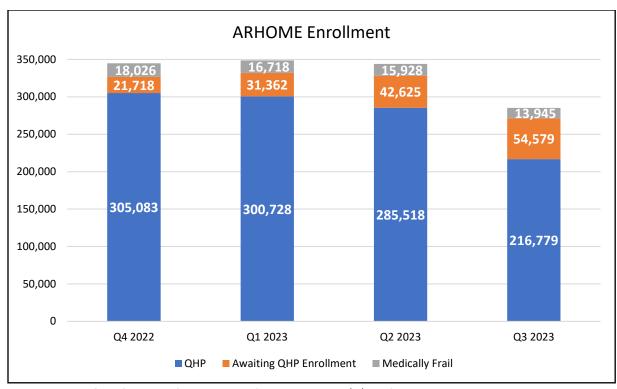
### Medically Frail and QHP Enrollment

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 8/7/2023)

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 were free to select a QHP if they choose. The agreement with the ARHOME carriers called for the resumption of auto assignment when the percentage of ARHOME beneficiaries enrolled in a QHP drops below 80%.

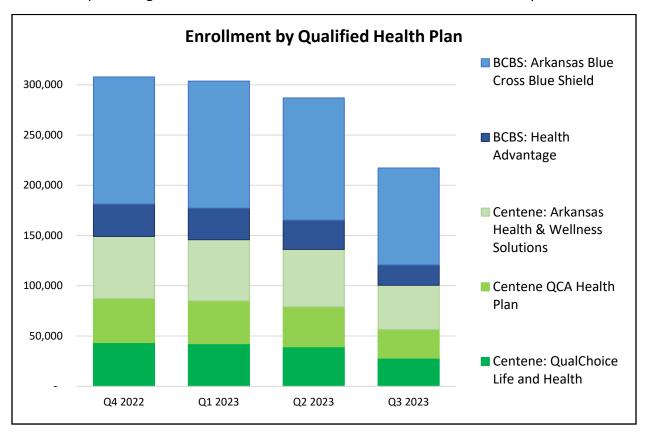
After nine months of suspended auto-enrollment, QHP enrollments dropped below 80% of all ARHOME enrollments at the end of May, and auto-assignment resumed. About 25,000 beneficiaries who had been awaiting QHP enrollment were assigned to a QHP, with an enrollment start date of August 1, 2023.

# Health insurer participation and competition

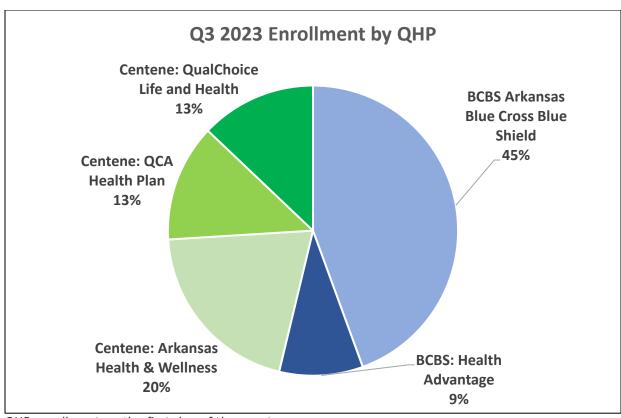
The ARHOME program currently purchases QHP coverage from two insurance carriers, Centene and Arkansas Blue Cross and Blue Shield (BCBS). Centene offers three QHPs for ARHOME beneficiaries, and BCBS offers two. Arkansas Blue Cross and Blue Shield has requested to introduce a third QHP, known as Octave, to the ARHOME program in 2024.

## The following charts show:

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



QHP enrollment on the first day of each quarter.



QHP enrollment on the first day of the quarter.

# 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.

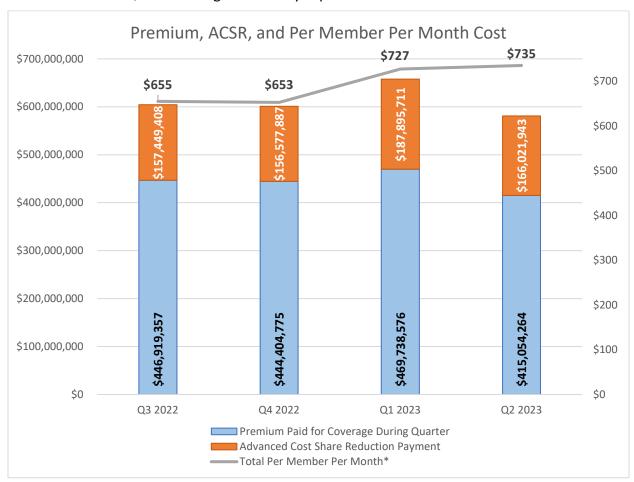
DHS changed the cost sharing structure of the ARHOME program, beginning January 1, 2023. The changes are outlined in the following table:

	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 209 a QHP and those await a QHP. Some individua (e.g., 19- and 20-year-c	ing enrollment in Is are exempt
Premiums	\$13 per month	No premiums, per CMS	;
Service-specific copay amounts	\$4/\$8, depending on the service	\$4.70/\$9.40, dependin Some services are exer emergency services)	_
Copay limits	\$60 per quarter	Quarterly copay limit is household federal pove	
		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 beneficial Medicaid beneficiaries in the individual's famil ARKids B beneficiaries) requirements	who pay copays ly (not including

## **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 last two quarters of 2022, DHS set the ACSR rate at 35% of the premium. The ACSR rates for 2023 were raised to 40% of each premium rate, raising the per member per month expenditures for the first two quarters of 2023 to \$727 and \$735. The per member per month expenditure remains under the \$758.85 budget neutrality cap for 2023.

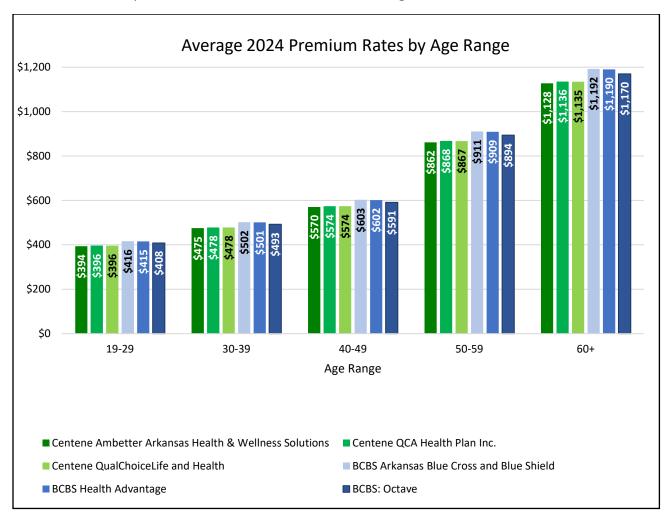


Source: 13513 10591 Arkansas Works Premium and CSR Payments and Adjustments by Month and Carrier 051123 \*Does not include wrap costs for non-emergency transportation or EPSDT services for 19- and 20-year-olds

## Qualified Health Plan Rates

The carriers set the premiums they charge for each plan they sell on the Marketplace. The 2024 premiums DHS pays for each plan range from about \$336 per month for a 19-year-old non-smoker in one plan to just under \$1,360 per month for 64-year-old tobacco user in another plan. The average premium paid in the first quarter of 2023 was about \$522 per member per month.

The carriers' 2024 premium rates are shown in the following chart.

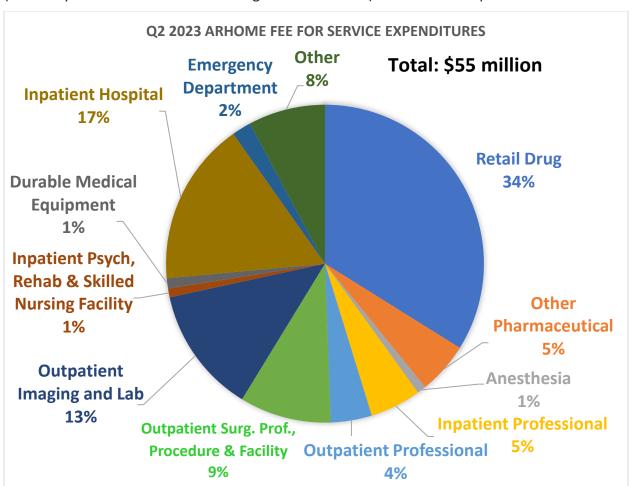


The 2024 premium rates will decrease or minimally increase for four of the five QHPs currently participating in the ARHOME program. The Arkansas Blue Cross and Blue Shield plan will increase 8%. In its filing with the Arkansas Insurance Department, BCBS cited changes in utilization and cost trends compared with 2022, benefit adjustments and adjustments to account for legislative changes.

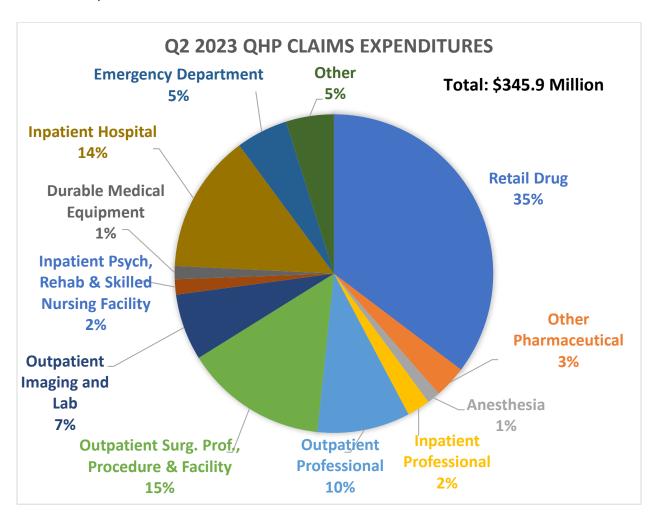
	Average % Char	nge in Premiums
	2022 to 2023	2023 to 2024
Centene Ambetter Arkansas Health & Wellness Solutions	7%	1%
Centene QCA Health Plan Inc.	5%	-2%
Centene QualChoice Life and Health	3%	0%
BCBS Arkansas Blue Cross and Blue Shield	4%	8%
BCBS Health Advantage	5%	2%

## 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 second quarter of CY 2023.



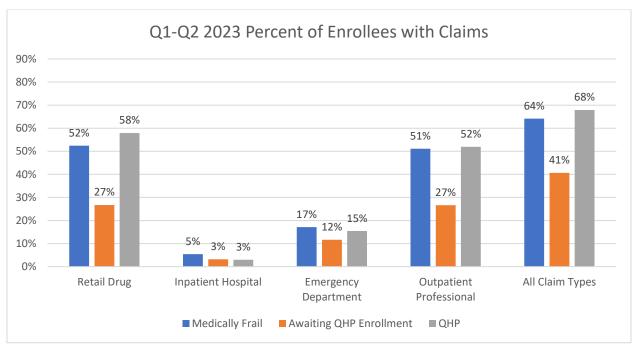
The QHPs are required to provide DHS quarterly data on the claims they pay on behalf of ARHOME beneficiaries. The following chart shows the claims that QHPs reported paying during the second quarter of CY 2023 for ARHOME beneficiaries.

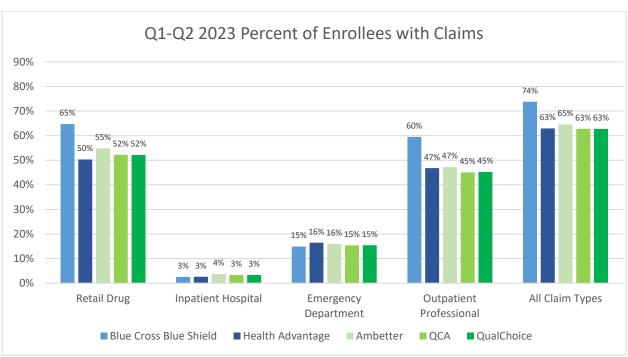


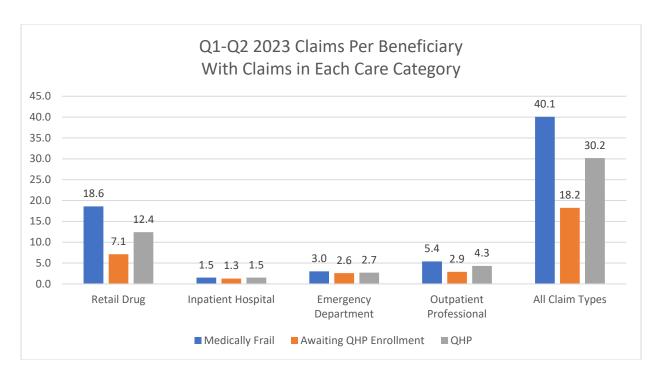
The following charts show the utilization of health services by:

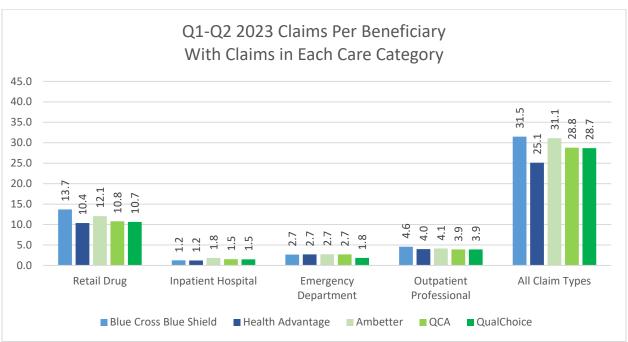
- Percent of beneficiaries with health claims
- Number of claims per beneficiary among beneficiaries with a claim in each service category (e.g., number of pharmacy claims per beneficiary among all beneficiaries with a pharmacy claim)
- Expenditures per beneficiary among beneficiaries with a claim in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

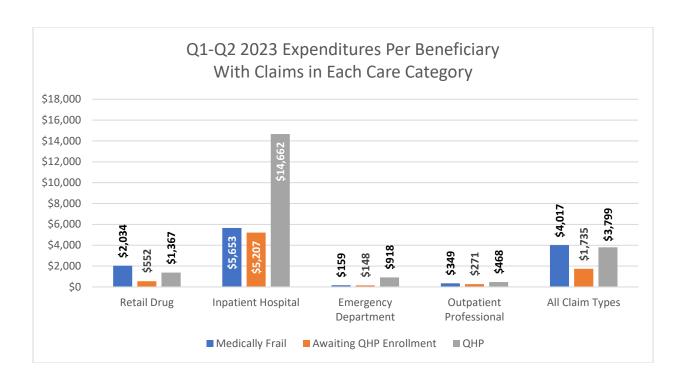
The data are provided for Q1 and Q2 2023 for medically frail, beneficiaries awaiting enrollment in a QHP, all beneficiaries in a QHP, and by each individual QHP.

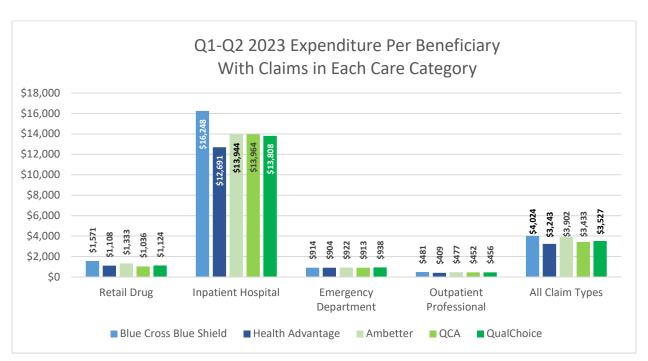












# Individual qualified health insurance plan health improvement outcomes

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 2022, QHPs were required to provide at least **one** health improvement incentive to encourage the use of preventive care and **one** health improvement incentive 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

In 2023, QHPs were required to provide at least **two** health improvement incentives for each of the above groups.

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.

The 2022 performance targets on the health quality metrics shown on the following pages were set in December 2021 based on past performance on health quality measures for 2019 and 2020. The 2022 performance targets were based on the best performing QHP for each metric over the three years.

Eleven of the 24 health quality metrics for 2022 have been calculated. Three of the 11 are birth outcomes, for which no target was established due to a lack of data at the time the targets were set. The results for the other eight metrics are provided below. The results in the following pages indicate which QHPs met targets (shown in green) and which did not (shown in red).

### All QHPs met the established targets for:

- Hospital readmission ratios
- Hospital admission rates for COPD or asthma, older adults
- Hospital admission rates for asthma, younger adults

### No QHPs met the targets for:

- Cervical cancer screening
- Hospital admission rates for heart failure
- Follow up after ED visit for mental illness within 30 days
- Follow up after hospitalization for mental illness within 30 days

#### Mixed results for:

Hospital admission rate for diabetes short-term complications

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.

			'all*	For Com	nparison			Ву QНР			Rural/	'Urban		By Ra	ace	
Measure	CY	Targets	ARHOME Overall∗	Mean of Reporting States Medicaid*	AR Medicaid Overall***	BCBS: Blue Cross Blue Shield	BCBS: Health Advantage	Centene: Ambetter	Centene: QCA	Centene: Qual Choice	Urban	Rural	White	Black	Other	Unknown
Total Enrollees																
	2020	N/A	282,096		429,006	122,741	N/A	53,378	41,790	39,587	158,640	121,874	153,926	51,093	20,926	56,151
	2021	N/A	317,608		475,193	125,091	29,800	58,833	41,789	41,764	184,166	131,595	180,451	61,292	25,361	50,504
	2022	N/A	319,478			125,919	31,917	60,228	42,590	42,520	187,763	130,747	185,640	62,770	26,575	44,493
Primary Care and		1	entive co	ire	T		T	т	T	T	ı	T	T			
	2019	N/A	46.0%	54.1%	40.0%	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	2020	N/A	43.5%	55.5%	41.9%	41.3%	N/A	38.4%	29.3%	29.6%	43.8%	43.2%	43.0%	48.6%	46.4%	38.0%
Years	2021	N/A	41.7%		43.3%	42.3%	16.0%	40.0%	30.8%	31.1%	42.0%	41.3%	40.7%	45.9%	46.4%	36.2%
	2022	46.0%	41.5%			43.7%	22.1%	40.9%	37.3%	37.2%	41.8%	41.0%	40.4%	44.9%	46.0%	37.2%
	2019	N/A	53.9%	59.3%	61.6%	53.6%	N/A	53.6%	55.5%	55.2%	52.7%	55.5%	49.5%	65.6%	57.0%	50.9%
Chlamydia Screening in	2020	N/A	52.5%	58.3%	53.7%	49.7%	N/A	54.7%	52.3%	55.4%	52.4%	52.6%	46.8%	65.0%	50.3%	53.7%
Women, 21-24 Years	2021	N/A	53.9%		55.5%	51.3%	50.0%	53.1%	56.8%	57.3%	54.4%	53.1%	48.7%	66.3%	55.2%	51.3%
	2022	55.5%														
	2019	N/A	50.8%	52.7% (Ages 50- 64)	39.6% (Ages 50- 64)	54.0%	N/A	49.1%	38.7%	42.2%	50.5%	51.0%	49.0%	55.4%	57.9%	50.7%
Breast Cancer	2020	N/A	47.7%	53.7% (Ages 50- 64)	42.8% (Ages 50- 64)	50.9%	N/A	47.1%	40.5%	41.0%	48.2%	47.2%	46.0%	52.8%	52.6%	47.5%
Screening, 50-64 Years	2021	N/A	44.5%		41.7% (Ages 50- 64)	47.6%	N/A	44.4%	39.3%	40.2%	44.7%	44.3%	42.4%	50.7%	47.6%	44.9%
	2022	54.0%														
Maternal and Per	rinatal (	Care														
	2019	N/A	54.3%	38.4%	38.1%	54.7%	N/A	53.9%	50.4%	58.4%	52.7%	56.6%	55.3%	54.5%	49.4%	53.6%

			rall¥	For Com	parison			Ву QНР			Rural/	'Urban		By R	ace	
Measure	СУ	Targets	ARHOME Overall*	Mean of Reporting States Medicaid*	AR Medicaid Overall***	BCBS: Blue Cross Blue Shield	BCBS: Health Advantage	Centene: Ambetter	Centene: QCA	Centene: Qual Choice	Urban	Rural	White	Black	Other	Unknown
Contraceptive Care  – Postpartum	2020	N/A	48.9%	40.4%	37.7%	46.6%	N/A	50.0%	46.5%	49.8%	47.3%	51.3%	52.5%	48.1%	40.7%	43.9%
Women, Most or	2021	N/A	45.8%		37.7%	46.4%	38.7%	44.6%	43.6%	49.8%	42.8%	50.0%	48.2%	44.7%	41.8%	39.6%
Moderately Effective Contraception - 90 Day: 21-44 Years	2022	58.4%														
Contraceptive Care	2019	N/A	25.5%		23.1%	27.0%	N/A	24.0%	24.3%	24.3%	25.7%	25.3%	25.2%	26.0%	26.4%	25.6%
<ul><li>– All Women, Most or Moderately</li></ul>	2020	N/A	23.8%	25.3%	23.6%	25.2%	N/A	22.3%	22.4%	21.5%	24.1%	23.4%	23.5%	24.2%	23.9%	24.1%
Effective Contraception: 21-	2021	N/A	22.9%		22.8%	24.6%	19.0%	21.3%	22.4%	22.0%	23.0%	22.7%	22.4%	23.7%	23.3%	23.4%
44 Years	2022	27.0%														
Low Birth Weight,	2019	N/A	10.2%	9.8%++	10.2%	10.2%	N/A	10.5%	9.8%	9.3%	10.3%	10.1%	8.7%	14.8%	8.6%	8.8%
Percentage of live	2020	N/A	10.8%		10.6%	11.1%	N/A	10.8%	11.5%	9.6%	11.3%	10.0%	9.7%	15.9%	5.8%	9.7%
births weighing <	2021	N/A	10.8%		10.6%	9.8%	11.6%	12.1%	11.7%	9.6%	11.6%	9.9%	9.0%	17.1%	8.9%	7.4%
2,500 grams +	2022	N/A	10.9%		10.7%	10.7%	11.8%	12.5%	9.4%	10.5%	11.5%	10.1%	9.4%	15.9%	9.7%	9.8%
Very Low Birth	2019	N/A	1.4%		1.5%	1.2%	N/A	1.7%	1.2%	1.2%	1.3%	1.4%	1.0%	2.4%	0.6%	1.5%
Weight, Percentage of live births	2020	N/A	1.6%		1.3%	1.6%	N/A	1.8%	1.7%	1.2%	1.8%	1.3%	1.3%	2.9%	1.0%	1.0%
weighing < 1,500	2021	N/A	1.6%		1.6%	1.3%	2.5%	1.7%	1.5%	1.3%	1.9%	1.2%	1.2%	2.7%	1.4%	1.3%
grams +	2022	N/A	1.5%		1.6%	1.4%	1.6%	2.4%	1.2%	1.2%	1.8%	1.2%	1.1%	2.4%	1.9%	1.4%
Pre-Term Birth,	2019	N/A	13.5%		12.6%	13.3%	N/A	14.0%	14.4%	12.2%	13.3%	13.7%	13.6%	16.1%	10.9%	10.3%
Percentage of live	2020	N/A	12.8%		12.4%	13.6%	N/A	14.2%	11.8%	11.2%	13.2%	12.2%	12.8%	15.9%	9.1%	10.6%
births 17 - 36 weeks	2021	N/A	13.0%		12.7%	12.7%	13.2%	15.2%	13.1%	11.1%	12.9%	13.1%	12.4%	16.4%	10.0%	11.1%
gestation +	2022	N/A	13.3%		12.5%	13.4%	13.6%	13.1%	12.3%	13.7%	14.0%	12.2%	12.9%	16.1%	11.5%	11.5%
Care of Acute and	Chron	ic Condi	tions													
Diabetes Short- Term Complications	2019	N/A	26.2	20.6 (Ages 18- 64)	37.3 (Ages 18- 64)	14.2	N/A	16.8	16.4	22.4	27.4	24.8	26.6	26.8	20.2	26.7

			rall*	For Com	parison			Ву QНР			Rural/	Urban		By R	ace	
Measure	CY	Targets	ARHOME Overall*	Mean of Reporting States Medicaid*	AR Medicaid Overall***	BCBS: Blue Cross Blue Shield	BCBS: Health Advantage	Centene: Ambetter	Centene: QCA	Centene: Qual Choice	Urban	Rural	White	Black	Other	Unknown
Admission Rate, 19- 64 Years (Lower is Better)	2020	N/A	21.4	22.2 (Ages 18+)	20.6 (Ages 18- 64)	14.2	N/A	15.5	30.9	27.5	24.0	18.2	22.6	26.2	10.2	17.7
Bettery	2021	N/A	21.9		20.1 (Ages 18- 64)	16.7	23.0	14.6	18.7	17.7	23.0	20.2	22.0	26.4	16.0	18.8
	2022	14.2	19.0			12.9	18.3	16.1	16.1	13.9	20.4	17.0	20.1	21.3	14.0	13.8
	2019	N/A	40.9	82.4	121.7	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 Admission Rate, 40-	2020	N/A	23.2	69.4 (Ages 40+)	33.6	14.3	N/A	17.2	19.2	7.7	22.5	24.1	25.6	20.4	8.5	23.4
64 Years (Lower is Better)	2021	N/A	19.4		28.2	17.5	12.2	17.1	11.7	8.7	15.5	24.1	24.7	14.4	6.8	9.2
	2022	18.3	14.9			12.0	8.0	12.6	7.1	9.7	13.8	16.0	18.1	10.5	9.2	8.9
	2019	N/A	23.9	31.9 (Ages 18- 64)	47.1 (Ages 18- 64)	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 <i>(Lower is</i>	2020	N/A	22.8	31.6 (Ages 18+)	22.7 (Ages 18- 64)	14.4	N/A	16.3	18.3	10.9	27.0	17.4	19.8	36.8	13.8	21.6
Better)	2021	N/A	21.7		22.8 (Ages 18- 64)	14.8	18.1	18.4	13.1	11.7	25.3	17.1	19.6	34.8	10.8	18.8
	2022	12.3	22.3			14.7	17.2	17.6	14.2	13.0	26.4	16.3	19.8	35.2	12.4	19.7
Asthma in Younger Adults Admission	2019	N/A	4.8	6.5 (Ages 18- 39)	7 (Ages 18- 39)	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 (Lower is Better)	2020	N/A	2.1	8.2 (Ages 18- 39)	2.7 (Ages 18- 39)	1.6	N/A	2.0	1.7	2.8	2.0	2.2	1.9	4.5	1.4	0.6

			'all∗	For Com	nparison			Ву QНР			Rural/	'Urban		By R	ace	
Measure	СҮ	Targets	ARHOME Overall*	Mean of Reporting States Medicaid*	AR Medicaid Overall***	BCBS: Blue Cross Blue Shield	BCBS: Health Advantage	Centene: Ambetter	Centene: QCA	Centene: Qual Choice	Urban	Rural	White	Black	Other	Unknown
	2021	N/A	1.7		2.5 (Ages 18- 39)	1.8	0.0	1.0	1.2	1.8	1.5	2.0	1.6	3.0	1.1	0.9
	2022	2.1	1.4			1.3	1.9	1.0	1.5	0.6	1.6	1.2	1.5	2.0	0.5	0.9
	2019	N/A	0.8506	0.8555 (Ages 18- 64)	0.8906 (Ages 18- 64)	0.8071	N/A	0.8003	0.7065	0.9174	0.8268	0.8801	0.8635	0.8239	0.7190	0.8502
Plan All-Cause Readmissions,	2020	N/A	0.7743	1.0259 (Ages 18- 64)	1.1297 (Ages 18- 64)	0.7072	N/A	0.7528	0.4663	0.3911	0.7834	0.7624	0.7967	0.8003	0.7193	0.6705
Observed/Expected Ratio: 19-64 Years (Lower is Better)	2021	N/A	0.8457	·	1.0544 (Ages 18- 64)	0.7291	7.1528	0.8802	0.9275	0.8545	0.8301	0.8754	0.8318	0.8896	0.7701	0.8879
	2022	N/A	0.8799			0.8303	0.8841	0.8394	0.9458	0.8162	0.8534	0.9166	0.8914	0.8835	0.7605	0.8691
	2019	N/A	46.9%	55.3%	38.5%	48.4%	N/A	45.3%	50.0%	54.5%	50.2%	43.3%	47.6%	47.4%	51.0%	42.9%
Asthma Medication	2020	N/A	55.8%	53.4%	51.5%	60.2%	N/A	51.1%	48.5%	45.8%	58.4%	51.7%	55.1%	57.0%	53.2%	59.0%
Ratio, 19-64 Years	2021	N/A	58.9%		55.2%	64.6%	N/A	55.0%	47.2%	49.3%	59.2%	58.1%	57.6%	60.8%	62.2%	60.6%
	2022	54.5%														
Behavioral Health	Care							•					•			
Initiation of SUD	2019	N/A	37.9%	41.0% (Ages 18- 64)		37.4%	N/A	38.5%	44.0%	41.5%	37.3%	38.8%	39.1%	31.8%	36.9%	39.5%
Treatment - Total Use Disorder, 19-64	2020	N/A	39.2%	43.4% (Ages 18+)	40.0% (Ages 18- 64)	39.8%	N/A	40.2%	37.4%	38.5%	39.3%	39.2%	40.5%	32.5%	37.7%	41.2%
Years	2021	N/A	40.1%		43.9% (Ages 18- 64)	41.5%	42.5%	40.8%	38.8%	38.3%	40.4%	39.8%	41.5%	34.9%	39.4%	39.4%

			rall*	For Com	parison			Ву QНР			Rural/	Urban		By R	ace	
Measure	СУ	Targets	ARHOME Overall <sub>¥</sub>	Mean of Reporting States Medicaid*	AR Medicaid Overall***	BCBS: Blue Cross Blue Shield	BCBS: Health Advantage	Centene: Ambetter	Centene: QCA	Centene: Qual Choice	Urban	Rural	White	Black	Other	Unknown
	2022	44.0%														
	2019	N/A	8.6%	15.7% (Ages 18- 64)		9.6%	N/A	9.8%	10.3%	8.6%	8.3%	9.0%	9.5%	5.1%	8.6%	8.4%
Engagement of SUD Treatment - Total	2020	N/A	9.7%	16.5% (Ages 18+)	8.9% (Ages 18- 64)	9.5%	N/A	12.0%	9.1%	10.1%	9.2%	10.4%	10.7%	4.6%	9.8%	10.6%
Use Disorder, 19-64 Years	2021	N/A	11.7%		10.2% (Ages 18- 64)	12.1%	13.2%	13.5%	11.4%	9.8%	12.0%	11.3%	12.8%	7.6%	10.1%	11.8%
	2022	12.0%														
Antidepressant	2019	N/A	52.9%	51.3% (Ages 18- 64)	39.7% (Ages 18- 64)	55.5%	N/A	56.0%	48.7%	54.8%	52.6%	53.3%	55.0%	40.5%	48.2%	56.6%
Medication Management, Effective Acute	2020	N/A	54.0%	52.5% (Ages 18+)	49.5% (Ages 18- 64)	56.7%	N/A	55.1%	50.8%	52.2%	54.4%	53.4%	56.6%	39.4%	51.9%	56.6%
Phase Treatment: 19-64 Years	2021	N/A	58.1%		55.2% (Ages 18- 64)	59.2%	72.2%	60.7%	57.2%	58.1%	58.8%	57.1%	60.7%	45.4%	56.5%	60.3%
	2022	56.7%														
Antidepressant	2019	N/A	37.1%	34.4% (Ages 18- 64)	26.1% (Ages 18- 64)	39.6%	N/A	39.2%	35.6%	35.6%	38.0%	36.0%	39.3%	25.6%	32.0%	39.7%
Medication Management, Effective	2020	N/A	38.1%	35.9% (Ages 18+)	33.4% (Ages 18- 64)	41.3%	N/A	38.3%	35.2%	35.0%	38.2%	38.0%	40.5%	24.6%	37.0%	40.7%
Continuation Phase Treatment: 19-64	2021	N/A	41.4%		39.4% (Ages 18- 64)	43.1%	61.1%	42.2%	38.6%	41.9%	41.9%	40.6%	44.0%	27.5%	39.5%	44.6%
Years	2022	41.3%														

			'all¥	For Com	parison			Ву QНР			Rural/	'Urban		By R	ace	
Measure	СУ	Targets	ARHOME Overall*	Mean of Reporting States Medicaid*	AR Medicaid Overall***	BCBS: Blue Cross Blue Shield	BCBS: Health Advantage	Centene: Ambetter	Centene: QCA	Centene: Qual Choice	Urban	Rural	White	Black	Other	Unknown
	2019	N/A	44.1%	61.1%	59.4% (Ages 18+)	47.2%	N/A	34.8%	65.0%	38.5%	41.1%	47.3%	47.5%	36.6%	41.2%	42.1%
Adherence to Antipsychotic Medications for	2020	N/A	47.2%	61.2% (Ages 18+)	58.0% (Ages 18+)	44.2%	N/A	46.4%	52.1%	43.3%	45.7%	49.1%	50.8%	43.2%	48.5%	39.1%
Individuals With Schizophrenia, 19- 64 Years	2021	N/A	41.2%		54.3% (Ages 18+)	44.8%	40.0%	39.9%	40.6%	41.0%	38.4%	45.0%	44.8%	33.6%	41.9%	35.4%
04 fedis	2022	65.0%														
	2019	N/A	39.0%		21.8% (Ages 18- 64)	47.1%	N/A	36.5%	40.2%	45.1%	35.0%	45.4%	42.3%	15.6%	28.6%	34.4%
Use of Pharmacotherapy for Opioid Use	2020	N/A	51.3%		47.5% (Ages 18- 64)	54.0%	N/A	54.1%	55.3%	51.6%	49.4%	54.1%	55.2%	19.9%	45.0%	49.6%
Disorder, Overall Total: 19-64 Years	2021	N/A	56.8%		55.6% (Ages 18- 64)	60.7%	65.4%	57.8%	56.6%	56.1%	54.6%	60.9%	59.8%	28.1%	54.1%	53.9%
	2022	55.3%														
Diabetes Screening	2019	N/A	79.2%	79.9% (Ages 18- 64)	80.3% (Ages 18- 64)	80.5%	N/A	80.6%	75.2%	81.1%	79.6%	78.8%	80.3%	75.2%	78.9%	78.3%
for People With Schizophrenia or Bipolar Disorder	2020	N/A	77.6%	79.8% (Ages 18- 64)	75.8% (Ages 18- 64)	78.3%	N/A	79.2%	76.0%	79.4%	77.3%	78.1%	78.1%	79.5%	73.2%	75.7%
Who Are Using Antipsychotic Medications, 19-64	2021	N/A	79.7%		80.7% (Ages 18- 64)	80.2%	78.1%	81.1%	80.5%	79.4%	79.5%	79.8%	80.5%	80.0%	79.9%	74.1%
Years	2022	81.1%														
Use of Opioids at High Dosage in	2019	N/A	1.1%	7.4% (Ages 18+)	0.4% (Ages 18- 64)	1.3%	N/A	1.1%	1.1%	0.7%	1.4%	0.7%	1.0%	0.8%	0.7%	1.5%

			'all∗	For Com	parison			Ву QНР			Rural/	Urban		By R	ace	
Measure	CY	Targets	ARHOME Overall*	Mean of Reporting States Medicaid*	AR Medicaid Overall***	BCBS: Blue Cross Blue Shield	BCBS: Health Advantage	Centene: Ambetter	Centene: QCA	Centene: Qual Choice	Urban	Rural	White	Black	Other	Unknown
Persons Without Cancer, 19-64 Years (Lower is Better)	2020	N/A	1.0%	7.3% (Ages 18+)	0.7% (Ages 18- 64)	1.4%	N/A	1.2%	0.3%	0.2%	1.5%	0.6%	1.0%	0.8%	1.5%	1.3%
(Lower is Better)	2021	N/A	0.8%		0.7% (Ages 18- 64)	0.9%	1.8%	0.9%	0.6%	0.4%	1.1%	0.5%	1.0%	0.4%	0.7%	0.6%
	2022	1.1%														
	2019	N/A	20.9%		22.3% (Ages 18- 64)	21.5%	N/A	17.8%	16.0%	20.0%	21.6%	20.1%	23.7%	11.1%	17.7%	20.8%
Concurrent Use of Opioids and Benzodiazepines,	2020	N/A	18.9%	15.4% (Ages 18+)	18.6% (Ages 18- 64)	20.9%	N/A	16.3%	13.8%	15.0%	19.2%	18.5%	21.2%	11.0%	18.6%	18.3%
19-64 Years (Lower is Better)	2021	N/A	17.2%		17.3% (Ages 18- 64)	20.1%	15.8%	14.0%	12.3%	11.7%	17.3%	17.0%	19.4%	10.5%	13.8%	16.2%
	2022	16.0%														
Follow-Up After Emergency	2019	N/A	8.7%	20.7% (Ages 18- 64)	7.3% (Ages 18- 64)	8.6%	N/A	11.8%	4.3%	2.9%	8.7%	8.7%	9.1%	7.2%	8.8%	8.7%
Department Visit for Substance Abuse, Received	2020	N/A	9.5%	22.7% (Ages 18+)	9.7% (Ages 18- 64)	8.0%	N/A	14.0%	7.2%	8.3%	9.7%	8.6%	10.4%	4.8%	9.0%	12.5%
Follow-Up Within 30 Days of ED Visit:	2021	N/A	11.9%		11.2% (Ages 18- 64)	9.0%	9.6%	16.1%	12.5%	12.3%	11.7%	12.0%	12.9%	7.4%	13.1%	12.4%
19-64 Years	2022	16.8%														
Follow-Up After Emergency	2019	N/A	37.3%	54.3% (Ages 18- 64)	39.2% (Ages 18- 64)	41.7%	N/A	35.4%	30.1%	18.6%	33.9%	42.2%	40.3%	26.6%	33.3%	40.5%
Department Visit for Mental Illness,	2020	N/A	35.9%	54.3% (Ages 18+)	37.2% (Ages 18- 64)	35.7%	N/A	30.5%	32.6%	34.6%	33.6%	38.4%	37.6%	31.8%	35.7%	33.3%
Received Follow-Up Within 30 Days of	2021	N/A	31.5%		34.9% (Ages 18- 64)	29.4%	19.1%	32.2%	28.7%	37.6%	30.1%	33.3%	34.4%	19.2%	43.4%	32.4%

			rall*	For Comparison				Ву QНР			Rural/	Urban		By Ra	ace	
Measure	CY	Targets	ARHOME Overall*	Mean of Reporting States Medicaid*	AR Medicaid Overall***	BCBS: Blue Cross Blue Shield	BCBS: Health Advantage	Centene: Ambetter	Centene: QCA	Centene: Qual Choice	Urban	Rural	White	Black	Other	Unknown
ED Visit: 19-64 Years	2022	41.7%	31.3%			34.1%	28.7%	26.5%	28.7%	30.3%	28.2%	36.8%	32.3%	28.2%	40.0%	26.9%
Follow-Up After	2019	N/A	37.0%	53.3% (Ages 18- 64)	42.0% (Ages 18- 64)	43.4%	N/A	24.6%	37.2%	35.6%	37.8%	36.0%	36.6%	32.7%	37.4%	41.2%
Hospitalization for Mental Illness, Received Follow-Up	2020	N/A	42.8%	52.4% (Ages 18+)	41.0% (Ages 18- 64)	45.7%	N/A	41.6%	37.7%	43.1%	43.3%	42.3%	42.5%	40.0%	49.0%	45.5%
Within 30 Days of Discharge: 19-64 Years	2021	N/A	37.6%		36.4% (Ages 18- 64)	41.9%	30.2%	36.3%	36.1%	37.0%	38.2%	37.1%	39.1%	33.6%	35.2%	35.7%
TCars	2022	43.4%	39.3%			42.9%	38.0%	35.6%	39.6%	36.9%	40.1%	38.2%	40.0%	35.1%	40.7%	40.2%

# 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

# Sanctions or Penalties Assessed on 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. Corrective action plans will be discussed at the December 2023 ARHOME Advisory Panel meeting after the results of all 2022 health care quality metrics have been presented.

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 Organizations**

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.