Arkansas Works Implementation Begins, Improves Upon Medicaid Expansion

The Centers for Medicare and Medicaid Services (CMS) approved in early December 2016 the revision to the current 1115 Medicaid demonstration program waiver request with Arkansas Works, which replaces the Health Care Independence Program (known as the private option), beginning January 1, 2017.

The private option began in 2013 and provided healthcare coverage for adults with income below 138 percent of the federal poverty level (FPL) (approximately $1,366 per month) through private insurance purchased by the State with Medicaid funds.

- In the first quarter of 2016, approximately 240,000 Arkansans were enrolled in the Health Care Independence Program.
- From 2013-2014, there were substantial decreases in hospital admissions (49 percent), emergency room visits (39 percent) and outpatient clinic visits (46 percent) by uninsured Arkansans.
• Arkansas hospitals experienced a 55 percent decrease in uncompensated care losses from 2013-2014.

• In 2015, Arkansas estimated that its total savings and revenue gains resulting from expansion were $118.4 million.

Based on recommendations from the Health Reform Legislative Task Force, Gov. Asa Hutchinson directed the Arkansas Department of Human Services to seek waiver approval from the federal government to implement Arkansas Works, passed by the Arkansas Legislature in April 2016.

With approval by the Legislature and CMS, eligible individuals without access to qualifying employer-based insurance will be able to continue to enroll in market-based qualified health plans (QHP) through Arkansas Works. The State will ensure plans are competitively priced with at least two choices for enrollees.

Eligible enrollees will be childless adults ages 19-65 with incomes at or below 138 percent of the FPL and parents ages 19-65 with incomes between 17 and 138 percent of the FPL who are not considered medically frail or already enrolled in Medicare.

One of the major improvements to the healthcare program is the referral of all enrollees to work training and job search opportunities. Arkansas Works enrollees who also receive Supplemental Nutrition Assistance Program (SNAP) benefits will receive two employment referrals, a referral to the Department of Workforce Services (DWS) and a referral to SNAP employment and training providers. The State will also compare the list of Arkansas Works enrollees to the SNAP caseload. SNAP recipients eligible for referral will then be referred to employment and training programs in counties where the services are available. The reporting will help the State improve work-referral services in the future.

Additionally, the program establishes premiums of $13 per month for enrollees with incomes above 100 percent of the FPL. A premium payment is more consistent with the commercial market, thereby promoting personal responsibility for healthcare costs. Under Arkansas Works, enrollees who improve their personal health behaviors and make regular payment of premiums will be eligible for incentives, while individuals who do not pay premiums will incur a debt to the State.

Other key features of Arkansas Works approved by CMS include:
Continue Market-Based Insurance. Arkansas Works eligible individuals without access to qualifying employer-based insurance will continue to be eligible to enroll in market-based insurance plans.

Align Coverage with Commercial Timeframes. The State will no longer offer retroactive coverage to Arkansas Works enrollees after it completes eligibility systems changes. Arkansas Works will start on the first day of the month in which the enrollee is approved, whereas coverage is retroactive to 90 days from application.

Encourage Employer-Based Insurance through New Employer Incentives. The State will pay premiums for employer-based coverage for Arkansas Works enrollees working at participating employers. For participating employers who begin offering coverage in 2017 or who transition to offering coverage that meets Affordable Care Act (ACA) requirements, the State will pay a portion of the employer’s share of coverage for Arkansas Works enrollees for up to three years.

Eliminate the Transportation Benefit for Most Enrollees in Employer-Based Insurance. The State will not provide transportation to and from medical appointments for Arkansas Works enrollees covered through employer-based insurance, except for those who demonstrate a need.

Arkansas Works is projected to be budget-neutral, with limits to the total premium payments allowed per person in order to ensure that the privatized version of Medicaid expansion doesn’t cost the federal government more than an expansion of fee-for-service coverage. To date, the demonstration waiver has increased provider access, increased competition in the Marketplace, and decreased the average age of Marketplace enrollees.

The Stephen Group, a consultant to the State Legislature, projects that Medicaid expansion will net Arkansas $757 million between 2017 and 2021. However, should federal funding wane, the State will be allowed to terminate the program in a timely manner.

Submitted by Brandi Hinkle, Deputy Chief of Communications, Arkansas Department of Human Services

interChange to Replace MMIS in Spring 2017

The Arkansas Department of Human Services (DHS) is excited to announce the implementation of a new Medicaid Management Information System (MMIS). The current MMIS is a mainframe-
based claims payment system. While the current MMIS has undergone a number of enhancements over the past 30 years and has served the providers and citizens of Arkansas well, the core of the system is essentially the same mainframe system that was certified in 1987.

Rather than continue to operate in this complex and dated legacy system, DHS has decided to replace the core system with Hewlett Packard Enterprise’s (HPE) interChange MMIS. Arkansas is the 17th state to adopt HPE’s MMIS platform. The Core AME MMIS Replacement Project is one of the largest, most complex technology projects in state history, but through its implementation, DHS will be prepared to serve Arkansans more efficiently and effectively through modernized technology and features. The new MMIS, interChange, is currently scheduled for Go-live mid-spring 2017.

One of the modernized features interChange will offer is a Healthcare Portal through which claims will be processed in “real time.” Provider training workshops on the new Healthcare Portal are being planned across the state of Arkansas beginning in April 2017. Web-based training will also be made available for providers who cannot attend a workshop.

To keep providers informed and up to date, HPE has created a new MMIS provider webpage, Front Line (https://www.medicaid.state.ar.us/provider/frontline.html). The Front Line webpage includes updates about the progress of the new system, frequently asked questions (FAQs), links to all project-related mailings, information about provider workshops, early portal registration and a link for contacting HPE with questions. HPE has also created a provider newsletter called ARMedicaid Insider which can be accessed by visiting the Front Line webpage. The newsletter includes material such as features of the new Healthcare Portal, billing and processing information, and upcoming training registration. Information will be added to the webpage and newsletters as details become available, so providers are encouraged to check back often.

Submitted by Colin Reid, Project Manager for Arkansas Works, Hewlett Packard Enterprise

Timely Filing Issues

In an effort to resolve claims denied for eligibility beginning with dates of service on 10/1/2013, Arkansas Medicaid has made modifications to bypass the timely filing edits. Claims are to be submitted electronically. Providers must verify that an eligibility segment for the dates of service
in question and a primary care physician (PCP), if required, are documented before the claim is submitted. Providers will have an open window between October 17, 2016 and April 15, 2017 to submit claims. A listing of permissible reasons for qualifying claims may be obtained on this FAQ document. (PDF, new window) along with other pertinent information.

CLAIMS FILED BY PROVIDERS WHO DO NOT QUALIFY UNDER THE IDENTIFIED LISTING WILL BE REVIEWED AND RECOUPED.

Want the most up-to-date information for Arkansas Medicaid providers? Check out “What’s New for Arkansas Medicaid Providers” on the Arkansas Medicaid website.

Nominate a Provider!
To nominate a provider to be featured in a future issue of Provider Wire, please email our editing team or contact your HPE Provider Representative. Be sure to include your name and phone number and the nominee’s name and contact information. A member of the Provider Wire team may contact you for further information.