



Update on Implementation of Work and Community Engagement Requirements in Arkansas

—
Medicaid and CHIP Payment and Access Commission

Kacey Buderl

Overview

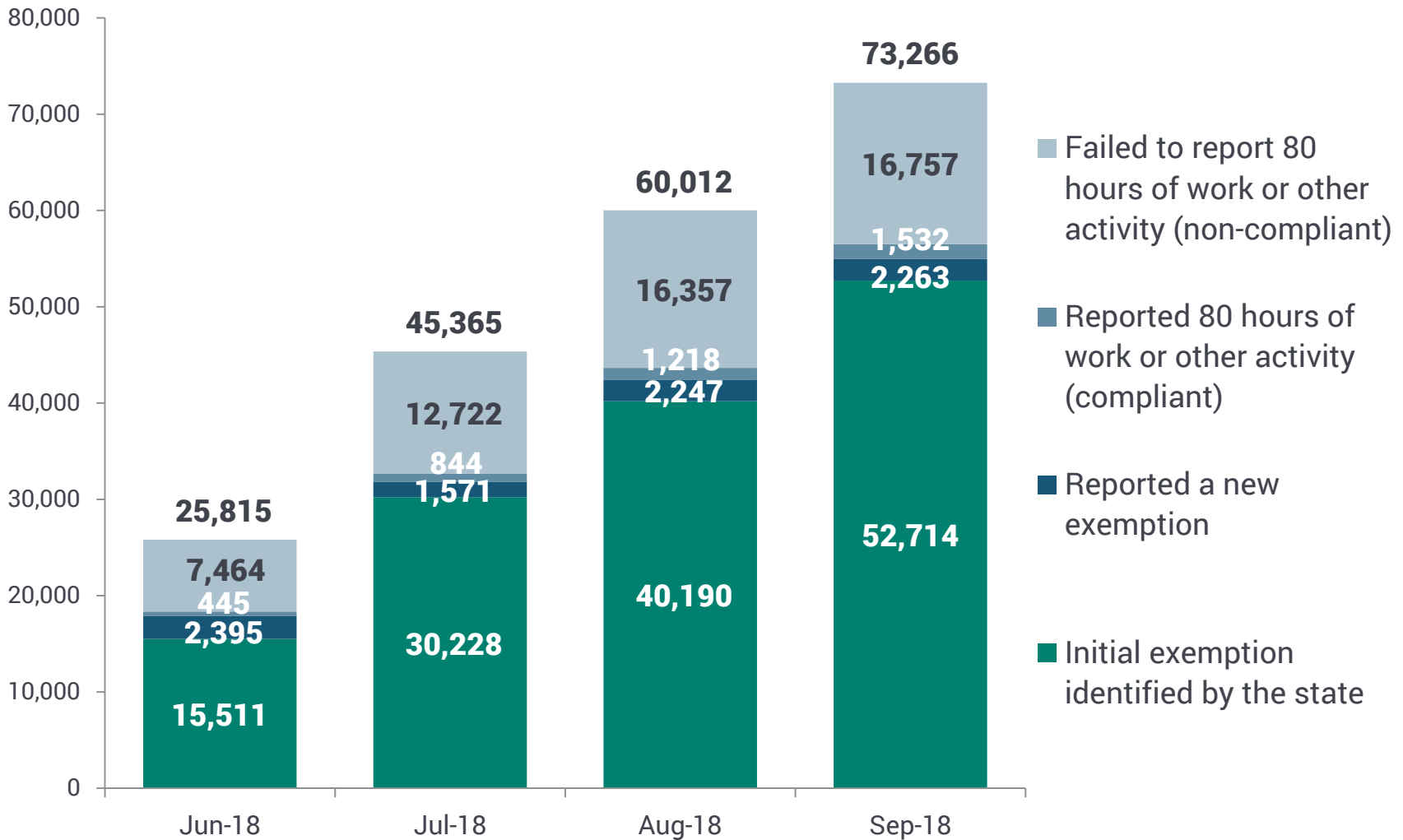
- Background
- Compliance data for June–September 2018
- Outreach and education
- Reporting process
- Connections to work supports and other resources
- Oversight
- Next steps

Background on Arkansas

- Requirements currently apply to members of the new adult group age 30–49 with incomes below 100 percent of the federal poverty level (FPL)
- Individuals subject to requirements must qualify for an exemption or report work activities
- Disenrollment after three months of non-compliance
 - cannot reenroll until the following calendar year without qualifying through a different pathway or receiving a good cause exemption

Compliance Data

Community Engagement Compliance, June – September 2018



Note: September figures include individuals subject to requirements in June, July, August and an expanded group of enrollees consistent with Arkansas' roll out plan.

Source: Arkansas Department of Human Services 2018

October 25, 2018

Beneficiaries with Exemptions

- 74 percent of beneficiaries had exemptions in September (69 percent in June)
- 96 percent of exemptions were automatic; 4 percent reported through portal
- About half were due to income consistent with working 80 hours per month at Arkansas minimum wage
- Others included those exempt from Supplemental Nutrition Assistance Program (SNAP) requirements, determined to be medically frail, had a dependent child
- Some confusion regarding exemptions:
 - some exemptions require reporting while others do not
 - different exemptions last different lengths of time

*September data unless otherwise indicated; trends held across all four months unless otherwise indicated

Compliance among Beneficiaries without Exemptions

- 8 percent of non-exempt beneficiaries were compliant (6 percent in June)
- 67 percent were identified as compliant with SNAP work requirements through data match (79 percent in June)
- Remainder reported through portal
 - most commonly reported activity was employment (e.g. 24 percent reported some work activities)
 - not tracking if this is new or existing employment

*September data unless otherwise indicated; trends held across all four months unless otherwise indicated

Non-Compliance among Beneficiaries without Exemptions

- 91 percent of non-exempt beneficiaries were non-compliant (94 percent in June)
- 99 percent were non-compliant because they reported nothing through the portal
- Remaining 1 percent reported fewer than 80 hours of work activities through the portal
- State has data on beneficiaries who start the process of creating an account but do not enter information; unclear how this is being used

*September data unless otherwise indicated; trends held across all four months unless otherwise indicated

Disenrollments as of October 8, 2018

- 8,462 individuals were non-compliant for three months and disenrolled
 - 4,353 in August and 4,109 in September
 - 19 percent of beneficiaries subject to requirement for three or more months and 62 percent of those without an exemption
- 12,589 additional beneficiaries at risk for disenrollment
 - 4,841 enrollees with two months of non-compliance
 - 7,748 with one month of non-compliance

Comparison to Other Reasons for Disenrollment

- Non-compliance with work requirements more common than other reasons for disenrollment in Arkansas Works
 - 27 percent of disenrollments in September (most common reason); 24 percent in August
 - Not all Arkansas Works beneficiaries can be disenrolled for non-compliance; all can be disenrolled for other reasons
- Comparable or higher than disenrollment rates for non-payment of premiums in states with this policy

Implications of Disenrollment

- Disenrollment notice provides information on
 - good cause exemption process
 - possible other sources of health coverage
 - where to access free- or low-cost health services
- Characteristics of disenrolled beneficiaries are unknown
 - state is not currently analyzing data
 - few anecdotal reports are available
- State is not collecting data on downstream effects of coverage losses

Education and Outreach Efforts

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Approach

- DHS mails out notices to beneficiaries through postal and electronic mail
 - e.g., individually tailored letters to beneficiaries scheduled to begin complying the following month, notices to beneficiaries following each month of non-compliance, final disenrollment notice
- DHS has made resources available in print and online (flyers, instructional videos)
- Arkansas Foundation for Medical Care (AFMC), and exchange plans conduct most direct outreach
 - AFMC makes outgoing calls to new and existing beneficiaries; operates call center
 - exchange plans efforts include calls, texts, emails, distribute educational materials, train call center agents, prepare providers
- DHS and exchange plans conduct outreach to providers, beneficiary advocates, other groups

Low Beneficiary Awareness Despite Outreach Efforts

- New program with a tight implementation timeline
- Difficult-to-reach population
 - AFMC unable to reach beneficiaries by phone
 - reached 23 percent of beneficiaries in each month for May – July
 - most common reasons were a bad number or no number on file
 - improved in September and October; still only about 50 percent reached
- Due to exchange plan premium assistance program and auto-enrollment process, beneficiaries not used to taking action regarding health coverage; may be unaware they have Medicaid
- Outreach materials not designed with population in mind
- Many resources out of reach for those without Internet
 - i.e., reminders via social media, instructional videos shared on the DHS website and YouTube channel
- Low awareness of good cause exemption process

Reporting Process Challenges

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Required Reporting through the Portal

- Portal is the only way beneficiaries can report information on compliance
 - demonstration includes waiver of requirement to provide multiple means of submission
- Requires Internet access
- Account set-up requires a reference number mailed to postal address
- Account set-up requires a computer; subsequent reporting can be done on a mobile device
- Portal is open from 7 AM – 9 PM daily
 - down for maintenance regularly on weekends; system outage in September
- Can be slow, difficult to navigate

Reporting Help Resources

- Assistance from county eligibility office
- Call center run by AFMC
 - agents can explain reporting process or refer to county eligibility office or health plans
 - recently expanded hours to align with portal
- Designated individual can report on behalf of a beneficiary
 - beneficiaries can designate a registered reporter
 - about 250 reporters as of September
 - typically health plan staff
- Unclear whether beneficiaries are using these resources
 - help by county staff is not being tracked
 - number of people using registered reporters is not being tracked

Connections to Work Supports and Other Resources

Connections to Work Supports

- Referrals to Department of Workforce Services (DWS)
 - automatic referral at eligibility determination and renewal
 - DWS sends a follow-up letter; beneficiary decides whether to access services
 - AFMC can also do warm transfers to DWS
- State did not appropriate additional funding to expand DWS capacity
- No current data on the number of beneficiaries accessing services or becoming newly employed
- Arkansas unemployment rate is slightly lower than U.S. overall but varies by county (five labor surplus areas)

Connections to Other Resources

- Major barriers to work in Arkansas are transportation, child care needs, lack of Internet access
- DHS publishes information to the website about how to access resources to address these and other barriers, but does not make referrals
- Resources are limited in rural areas of the state
- DHS not collecting data on beneficiary need, access, or use of such resources

Oversight

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Evaluation

- Special terms and conditions require formal independent evaluation to measure
 - hypotheses that work requirement will increase health and well-being
 - effect of requirement on ability to obtain employment
 - degree to which individuals can transition to other sources of health coverage; how this affects health
- Interim evaluation due to CMS December 2020
- No approved evaluation design plan in place
 - currently in process of procuring evaluator
 - unclear what baseline data is being collected or if comparison group will be used

Monitoring

- Arkansas submits quarterly monitoring reports intended to provide updates on implementation, operations
 - compliance and disenrollment data
 - information on state outreach activities
 - no information regarding transitions to work or other sources of health coverage, measures of health or access, use of job training or other resources, etc.
- CMS and DHS have regular monitoring calls to discuss report findings, ask questions, express concerns, etc.

CMS Actions

- CMS can suspend or terminate demonstrations at any time
- Past instances of CMS taking such action
 - delayed approval of Iowa's waivers allowing managed care transition
 - slowed and ultimately suspended implementation of pre-claim review demonstration
 - initially rejected extension of KanCare; later approved, contingent on the state demonstrating progress on the corrective action plan

State Approaches to Implementation

	Underway	Not yet implemented	
	Arkansas	Indiana	New Hampshire
Approval date	March 5, 2018	February 1, 2018	May 7, 2018
Implementation date	June 1, 2018	January 1, 2019 (does not affect beneficiaries until July 1, 2019)	January 1, 2019
Required participation hours	80 hours monthly	20 hours monthly gradually increasing to 80 hours by July 2020	100 hours monthly
Modes of reporting	Portal	Multiple options	Multiple options
Penalty for non-compliance	Disenrollment after three months of non-compliance in calendar year	Compliance reviewed in December. If more than four months of non-compliance, eligibility suspension first day of new calendar year	After one month non-compliance, eligibility suspension at the end of following month
Lockout period	Rest of calendar year	None	None
Eligibility and enrollment protocol	Published May 31, 2018	Not required by STCs	Due to CMS August 5, 2018
Evaluation status	Draft evaluation design plan submitted to CMS	Draft evaluation design plan due to CMS July 2018	Due to CMS August 5, 2018



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