

## Public Notice

***The Arkansas Department of Human Services (DHS), Division of Medical Services (DMS) is providing public notice of its intent to submit to the Centers of Medicare and Medicaid Services (CMS) a written application to request approval of a Health Care Independence 1115 Demonstration waiver and to hold public hearings to receive comments on this Demonstration.***

To implement the Arkansas Health Care Independence Act, the State will use premium assistance to purchase qualified health plans (QHPs) offered in the individual market through the Marketplace for individuals eligible for expanded coverage under Title XIX of the Social Security Act who are either (1) childless adults between the ages of 19 and 65 with incomes below 138% of the federal poverty level (FPL) who are not enrolled in Medicare or (2) parents between the ages of 19 and 65 with incomes between 17 and 138% FPL who are not enrolled in Medicare (collectively “Private Option beneficiaries”). Individuals in two groups—(1) those who are medically frail or (2) other individuals with exceptional medical needs for whom coverage through the Marketplace is determined to be impractical, overly complex, or would undermine continuity or effectiveness of care—will not participate in the Demonstration.

Private Option beneficiaries will receive the Alternative Benefit Plan (ABP) through a QHP that they select and have cost sharing obligations consistent with both the State Plan and with the cost-sharing rules applicable to individuals with comparable incomes in the Marketplace.

The Demonstration will further the objectives of Title XIX by promoting continuity of coverage for individuals (and in the longer run, families), improving access to providers, smoothing the “seams” across the continuum of coverage, and furthering quality improvement and delivery system reform initiatives. Ultimately, the Demonstration will provide truly integrated coverage for low-income Arkansans, leveraging the efficiencies of the private market to improve continuity, access, and quality for Private Option beneficiaries. Additionally, by nearly doubling the size of the population enrolling in QHPs offered through the Marketplace, the Demonstration is expected to drive health care system reform and more competitive premium pricing for all individuals purchasing coverage through the Marketplace.

The Demonstration will be statewide and will operate during calendar years 2014, 2015, and 2016. The State anticipates that approximately 225,000 individuals will be eligible for the Demonstration. The State expects that, over the life of the Demonstration, covering Private Option beneficiaries will be comparable to what the costs would have been for covering the same group of Arkansas adults using traditional Medicaid.

The Demonstration will test hypotheses related to provider access, churning, emergency room use, cost-comparability, usage of Medicaid wrap benefits, quality improvement, preventive services, and uncompensated care costs.

The State will request the following waivers to operate the Demonstration:

- § 1902(a)(17): To permit the State to provide different delivery systems for different populations of Medicaid beneficiaries. The State is not requesting a waiver of comparability with respect to benefits, eligibility, or cost-sharing.
- § 1902(a)(23): To make premium assistance for QHPs in the Marketplace mandatory for Private Option beneficiaries and to permit the State to limit beneficiaries’ freedom of choice among providers to the providers participating in the network of the Private Option beneficiary’s QHP.

The State continues to evaluate whether it will request other waivers.

The complete version of the current draft of the Demonstration application is available for public review at <https://www.medicaid.state.ar.us/Download/general/comment/InitialHCIWApp.doc>. The Demonstration application may also be viewed from 8 AM – 4:30 PM Monday through Friday at:

Arkansas Department of Human Services  
700 Main Street  
Little Rock, AR 72201  
Contacts: Becky Murphy or Jean Hecker

Public comments may be submitted until midnight on July 24, 2013. Comments may be submitted by email to [hciw@arkansas.gov](mailto:hciw@arkansas.gov) or by regular mail to PO Box 1437, S-295, Little Rock, AR 72203-1437.

To view comments that others have submitted, please visit:  
<https://www.medicaid.state.ar.us/Download/general/comment/HCIWComments.doc>.

Comments may also be viewed from 8 AM – 4:30 PM Monday through Friday at:

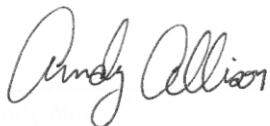
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The State will host two public hearings during the public comment period.

Little Rock  
July 2, 2013  
10 AM – 12 PM CST  
University of Arkansas for Medical Sciences  
I. Dodd Wilson Building – Room 126  
4301 W Markham  
Little Rock, Arkansas 72205

Fort Smith  
July 8, 2013  
11 AM – 1 PM CST  
University of Arkansas - Fort Smith  
Math-Science Building – Room 101  
5210 Grand Avenue  
Fort Smith, Arkansas 72904

Individuals may access the hearing on July 2, 2013 by webinar. To participate by webinar, please register at:  
<https://afmcevents.webex.com/afmcevents/onstage/g.php?t=a&d=664738225>.



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