



ARKANSAS WORKS WORK AND COMMUNITY ENGAGEMENT REQUIREMENTS

**Medicaid Section 1115 Demonstration Project
Work Requirement Evaluation Design & Strategy**

Arkansas Department of Human Services

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Proposed Evaluation Design & Strategy for Section 1115 Demonstration Waiver Work and Community Engagement Amendment

1. Overview

Arkansas Works, as amended, is a Demonstration Project of national significance. Medicaid is the largest single means-tested public assistance program administered by the states. Its role in providing access to medical services for people in poverty and near poverty is well established.

Section 1901 of Title XIX, under the Social Security Act, provides, “[f]or the purpose of enabling each State, as far as practicable under the conditions in such State to . . . help such families and individuals *attain or retain capability for independence . . .*”¹ (Emphasis added.) The purpose of Medicaid, therefore, as defined by the statute, goes beyond paying for medical care.

Medicaid should not be a disincentive to work: work leads to independence and contributes to improved health, which are among the purposes of the Medicaid program. The rationale of the Work and Community Engagement (WCE) requirements are likewise intended to help individuals attain economic independence, lift themselves out of poverty and to improve their overall health. The overarching purpose of the work requirements (to help individuals attain economic independence) is in their interest, and therefore promotes the statutory objectives of the Medicaid program.

There is a long-documented correlation between employment and improved life circumstances.² For example, for individuals with substance abuse disorders, employment is generally viewed as an important component of recovery. Other correlative examples are set out in the graphic on page 3 of this document.

There is limited research, however, about the direct role of Medicaid in assisting people to increase work and wages sufficiently to rise out of poverty.

This proposed evaluation is meant to close the gap in available research regarding the correlation between Medicaid-required WCE, and the multiple positive effects on Medicaid beneficiaries.

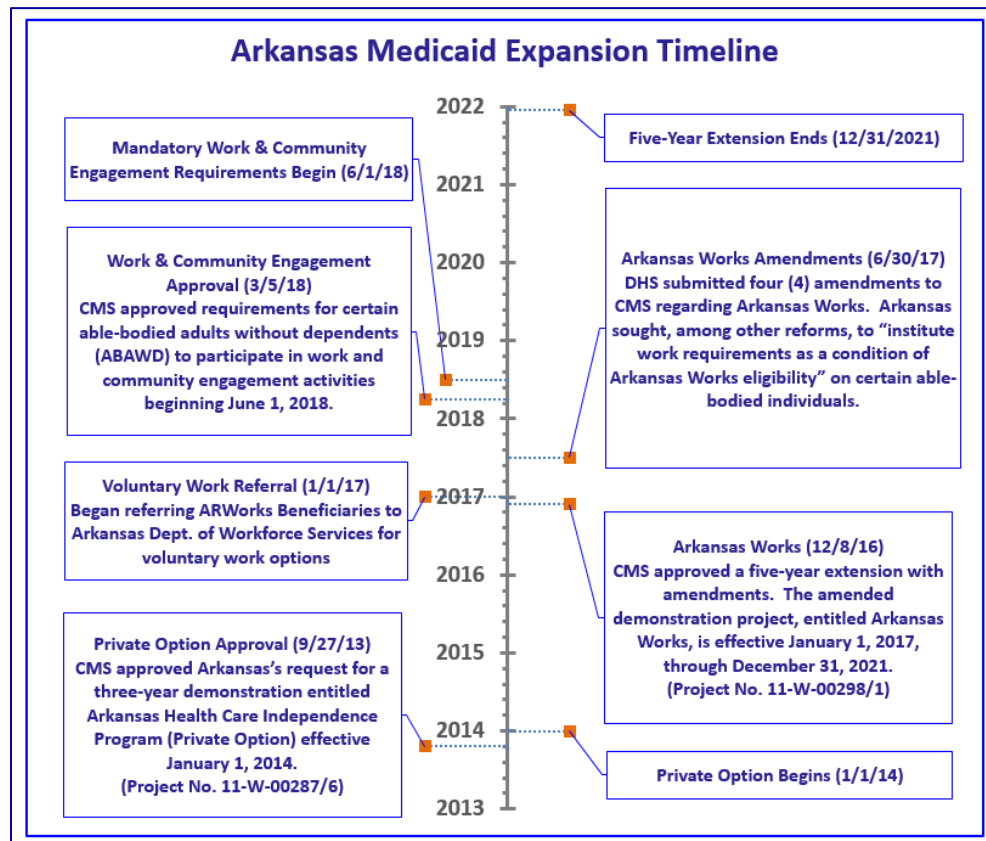
2. Arkansas Works Background and Timeline

As a largely-rural state with historically high unemployment, worse health and less education attained compared to other states, Arkansas presents a unique opportunity to turn around these statistics.

Beginning with the Arkansas Health Care Independence Program in 2014, Arkansas exercised its option to expand Medicaid coverage to 18- to 64-year olds with effective income of 138% of the federal poverty level (FPL) under the provisions of the Affordable Care Act (ACA). Also known as the Private Option, the expansion occurred through §1115 authority rather than through the

Medicaid state plan. This permitted the state, among other things, to provide coverage through insurance carriers rather than the Medicaid fee-for-service (FFS) delivery system. The insurance carriers that offer Qualified Health Plans (QHPs) for the Medicaid population also offer QHPs for individuals.

A consequence of this structure, the “Medicaid cliff,” i.e., the point at which a rise in income results in the loss of health insurance coverage, no longer exists in Arkansas. Low-income workers who increase their earnings will still receive coverage and subsidies, but through tax credit subsidies rather than Medicaid.



In 2016, Arkansas Works (“ARWorks”) amended the Private Option program. As part of the updated demonstration program, beginning in January 2017, the Arkansas Department of Human Services (DHS) referred all individuals enrolled in ARWorks to the Arkansas Department of Workforce Services (DWS). The referral allowed beneficiaries to voluntarily seek assistance with job training and job placement. However, from January to October 2017, only 4.7% of beneficiaries acted upon the referral and utilized the services provided by DWS. Of that number, 23% became employed through this process.

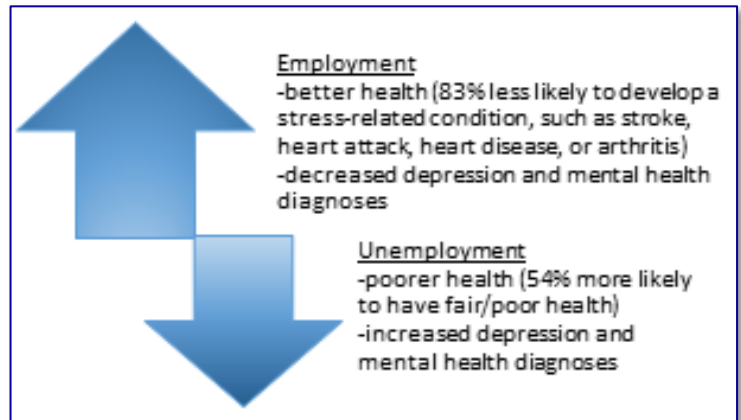
The June 2017 amendment requires certain able-bodied adults without dependents to participate in WCE requirements beginning June 1, 2018.³

In 2018, with the implementation of the ARWorks WCE requirements, Arkansas will be able to track mandatory referrals and test whether a “stronger incentive model is more effective in

encouraging participation.”⁴ The approved ARWorks amendment now requires approximately 69,000 abled-bodied individuals to engage in work activities, include education and training. Such requirements promote the objectives of Title XIX.

The benefits of the new requirements are multi-fold. First, individuals can continue to increase their earnings without losing the value of health insurance as there is no “Medicaid cliff” in Arkansas. In addition, finding employment has numerous tangible and intangible benefits:

- Improve the skill sets of individuals,
- Assist them to gain or increase employment, and
- Increase their earnings.



Each of these goals helps individuals to lift themselves out of poverty and to improve their overall health.

The purpose of this Evaluation Design is directed solely toward the amendment for implementation of the WCE requirement that will be in effect during the period June 1, 2018, through December 31, 2021. The evaluation will cover the implementation efforts, outcomes and effects (short-term and long-term, tangible and intangible), and sustainability of WCE requirements and activities as part of a lasting improvement to the social fabric and population health of all Arkansans.

3. Work and Community Engagement Overview

The ARWorks demonstration is targeted to individuals 19-49 years old. Based on data as of March 2, 2018, there were 171,449 ARWorks beneficiaries ages 19 – 49 (out of a total of 278,734). However, the majority of these individuals will meet at least of the exemption criteria. Approximately 69,000 have no initial exemption identified through system data.

Exemptions will be identified through a beneficiary’s initial application for coverage, an electronic submission demonstrating the exemption, or a change in circumstances submission. Information provided during the application process and data obtained systematically will be used to identify several types of exemptions including:

- Employment and self-employment of at least 80 hours a month,
- Medical frailty,
- Exemption from SNAP (Supplemental Nutrition Assistance Program) work requirement,
- Receipt of TEA (Transitional Employment Assistance) Cash Assistance, and
- Receipt of unemployment benefits.

Individuals will be required to participate in WCE requirements unless they meet the established criteria for exemption in the following table:

Exemption Criteria*	<ul style="list-style-type: none"> •Beneficiary’s income is consistent with being employed or self-employed at least 80 hours per month •Beneficiary attends high school, an institution of higher education, vocational training, or job training on a full-time basis •Beneficiary is exempt from SNAP work requirements •Beneficiary is receiving TEA Cash Assistance •Medically frail / Disabled •Beneficiary is incapacitated in the short-term or is medically certified as physically or mentally unfit for unemployment •Beneficiary is caring for an incapacitated person •Beneficiary lives in a home with a dependent child age 17 or younger •Beneficiary is receiving unemployment benefits •Beneficiary is currently participating in a treatment program for alcoholism or drug addiction •Beneficiary is pregnant
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*Exemption duration is discussed in the chart below on page 19.

The exemptions may also provide a benefit. For example, many employers, including the State of Arkansas, require individuals who apply for employment to successfully pass a drug test prior to hiring. Treatment is a temporary means of demonstrating compliance with the WCE activities. Thus, successful treatment (the exemption) would therefore lead to employment (the ultimate goal).

Beneficiaries for whom an exemption is not established during the application process will have an opportunity to attest to an exemption upon approval. Depending on the criteria, exemptions will be valid for the respective durations specified in the exemption chart. When a beneficiary’s exemption expires, he or she will be required to demonstrate that the exemption is still valid and continues.

The demonstration will be phased-in by two age groups. Based on data as of March 2, 2018, there were 171,449 ARWorks beneficiaries ages 19 – 49. Approximately 69,000 have no initial exemption identified through system data. Beginning June through September 2018, beneficiaries ages 30 – 49.

Based on the same data, there were 125,242 ARWorks beneficiaries ages 30 – 49. Of those, 38,321 have no exemption identified through system data. Arkansas has chosen to phase in this group over four (4) months based on when their cases are due for renewal. The chart below depicts the month the work requirement begins, the renewal months, and number of beneficiaries affected.

Month Work Requirement Begins	Renewal Months	Approximate #of Beneficiaries To report work activities
June 2018	Jan, Feb, Mar	9,152
July 2018	April, May, June	9,341
August 2018	July, August, September	8,682

September 2018	Oct, Nov, Dec	11,146
TOTAL		38,321

Data date: 3/2/2018

The 19- to 29-year-old age group will be phased in during 2019 between January and April.

Work and Community Engagement Requirements will be promulgated according to the State’s Administrative Procedures Act in Medicaid eligibility rules. The promulgated Medicaid eligibility manual can be accessed from the main public [DHS policy page](#).⁵

Arkansas has designed the WCE requirement for ARWorks to closely align with requirements in SNAP. [SNAP work requirements](#) can be found and reviewed online as part of the DHS/DCO policy manual.⁶

4. Evaluation Overview

This Evaluation Design is in addition to the previously approved Evaluation of ARWorks. It will be procured separately from the previously approved Evaluation due to the unique nature of WCE requirements. This feature makes the Demonstration resemble an income security program and will be evaluated accordingly.

The approved ARWorks amendment requires approximately 69,000 abled-bodied individuals to engage in work activities, which include education and training. This promotes the objectives of Title XIX as described in Section 1901: “[f]or the purpose of enabling each State, as far as practicable under the conditions in such State to . . . help such families and individuals **attain or retain capability for independence . . .**”⁷ (Emphasis added.) The purpose of Medicaid, therefore, as defined by the statute, goes beyond paying for medical care. The purpose of the WCE requirements is to improve the skill sets of individuals, assist them to gain or increase employment, increase their earnings, and thereby helping them lift themselves out of poverty and to improve their overall health. The purpose of the work requirements, to help individuals attain economic independence, is in their interest, and therefore promotes the statutory objectives of the Medicaid program.

It is widely recognized that employment improves an individual’s health:

- Work has a positive influence on an individual’s health and security;
- Returning to work has significant health benefits, especially mental health benefits;
- Work has a positive intergenerational influence;
- People who work live longer and healthier lives; and
- Work has non-financial rewards including socialization, stabilization, and support.

The Demonstration Evaluation will therefore answer three core questions surrounding enforceable WCE requirements in Medicaid:

1	Does WCE requirements promote personal responsibility and work?
2	Does WCE requirements encourage movement up the economic ladder?
3	Does WCE requirements facilitate transitions from ARWorks to employer-sponsored insurance and Marketplace coverage?

The purpose of work requirements is well summarized in a November 9, 2016, paper by the Congressional Research Service (CRS): “Four primary rationales for such policies have historically been put forth: offsetting work disincentives inherent in social assistance programs; promoting a culture of work rather than one of dependency; rationing scarce taxpayer dollars to the truly needy; and combating poverty.”⁸ The CRS authors observe, “[e]mpirical studies have generally confirmed that providing social assistance has a work disincentive, though the size of that disincentive has historically been in dispute.”⁹

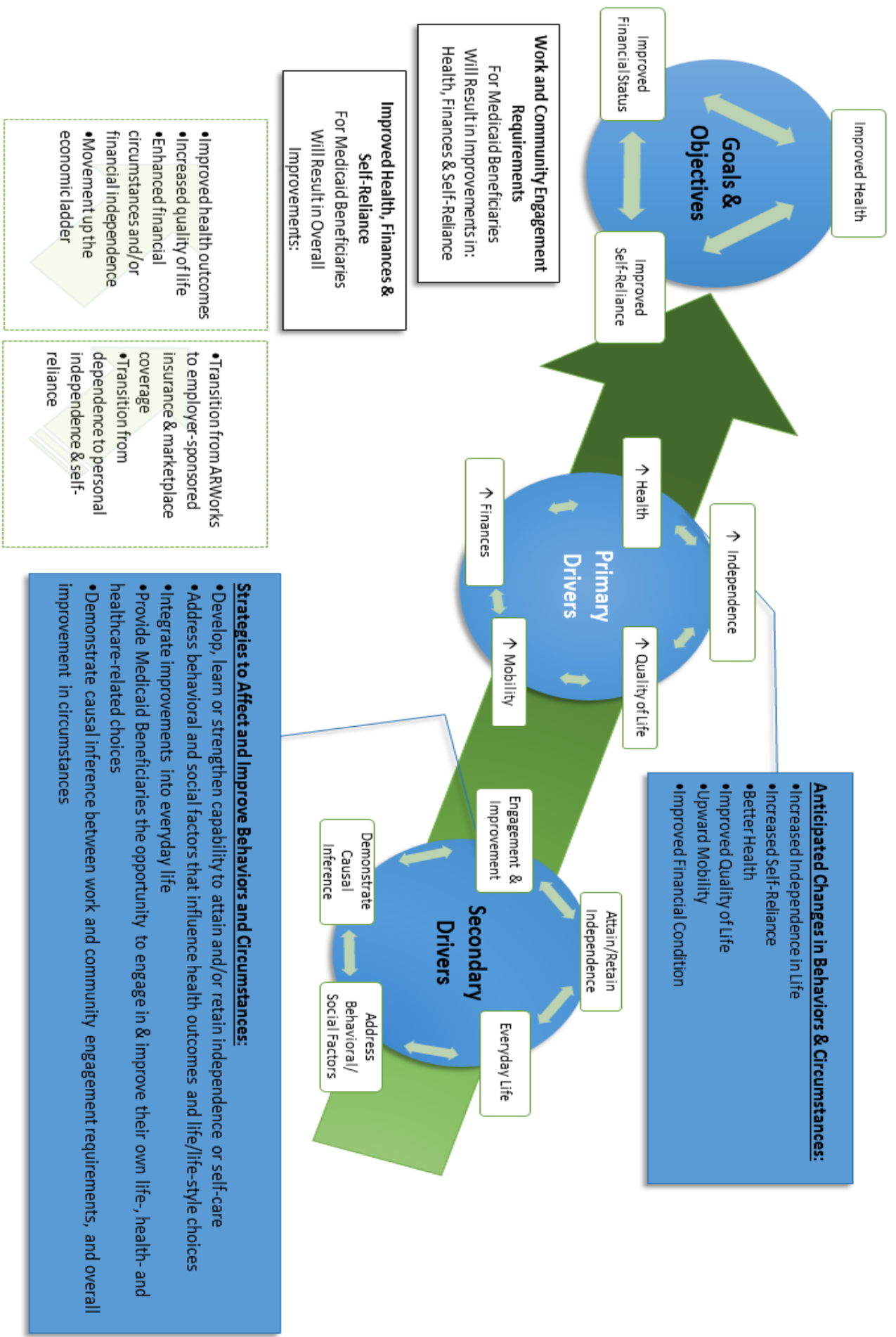
The relationship between not working and poverty is indisputable. According to CRS, the poverty rate for a family with a worker was 8.7% in 2015 compared to 90.8% for a family with no one who worked or had work-related benefits. The poverty rate for a family with a full-year, full-time worker was 4.2% in 2012 compared to 29.9% for a family with no full-year, full-time worker.¹⁰

Our hypothesis is that individuals enrolled in Arkansas Works sufficiently value health insurance coverage to comply with the work and community engagement activities which, over time, will lead to increased earnings and transition to other health insurance coverage.

Individuals will gain the understanding that increased earnings no longer results in the loss of access to necessary health care services. The continuation of coverage after a person earns more than the Medicaid income eligibility limits will demonstrate that Medicaid, with work requirements, is not a disincentive to work. DHS will be able to measure and report on participation but has not set targets given the unique nature of this Demonstration.

The purpose of the Demonstration is to increase earnings of individuals enrolled in ARWorks in order for them to rise above the poverty level. This pathway begins with notifying nonexempt individuals that they are subject to WCE requirements and ends when their earnings exceed the program parameters. The Evaluation will address the hypotheses about whether Medicaid WCE requirements result in sufficiently increasing income to rise above the poverty level.

The Driver Diagram on the next page sets out graphically the goals, as well as the primary and secondary drivers related to the enumerated goals.



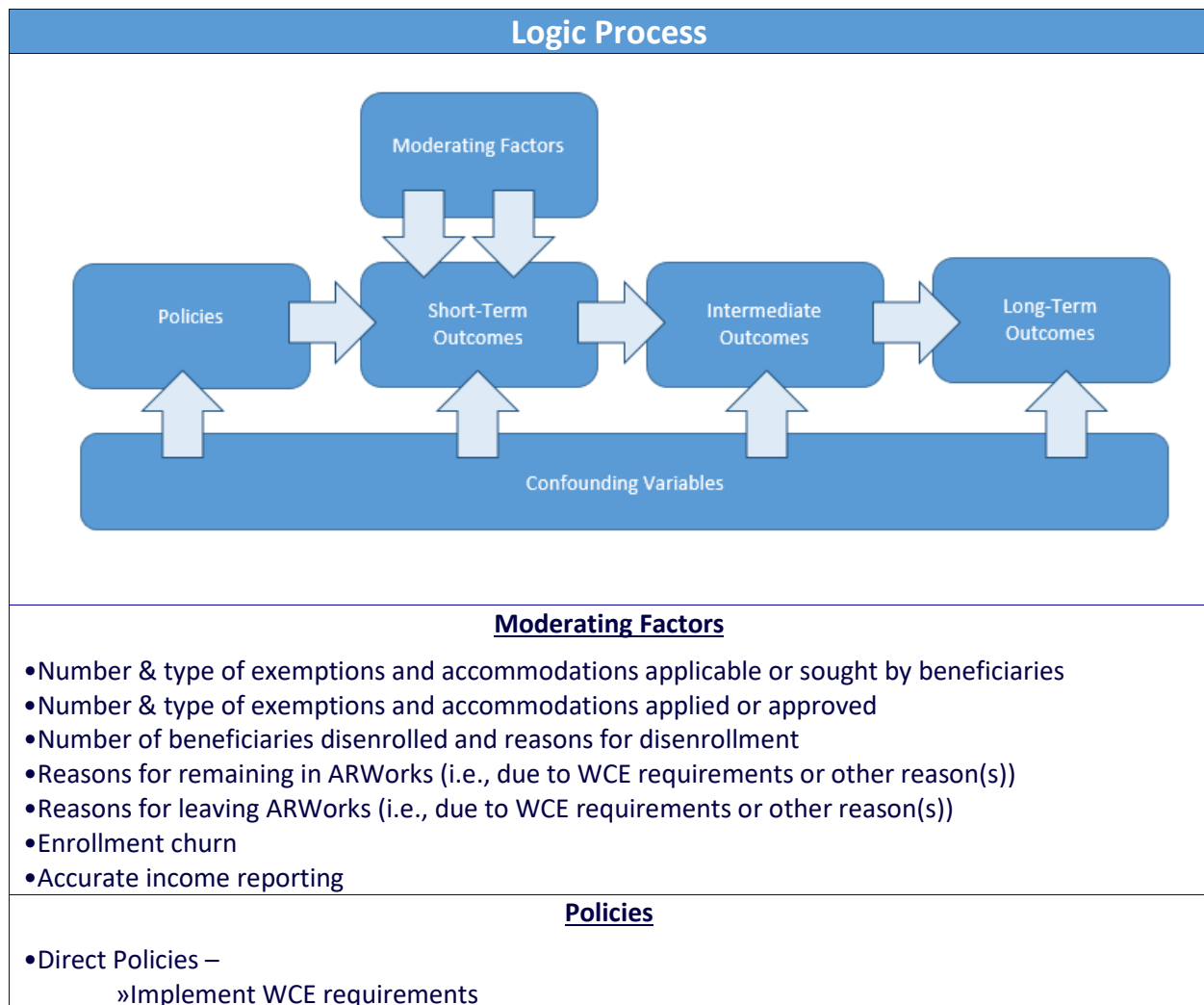
DHS will use a public Request for Proposal (RFP) process to procure the capabilities necessary for evaluation of the Demonstration. The Evaluation will use a combination of data sources including monthly data on enrollment and participation on all individuals who are not exempt. These data sets will be augmented by interviews with a statistically valid sample of individuals who remain on the program and those who leave the program. The successful bidder must have demonstrated experience in evaluating the impact of work requirements on participation in income security programs.

Evaluation questions will be developed in the RFP process and specific interview questions of participants will be developed by the successful bidder.

The following graphic sets forth the ultimate goals of the WCE requirements, as well as the primary and secondary drivers of the evaluation hypothesis:

5. Evaluation Design

The overall evaluation design will follow the process below, taking into consideration all factors that would influence Medicaid beneficiaries’ choices, decisions, actions and outcomes:



<ul style="list-style-type: none"> »Tie requirements to continued enrollment in ARWorks »Applies to and dovetails with other income security programs (e.g., TEA, SNAP) •Work Strategies – Provide work and career training, which promotes the opportunity to: <ul style="list-style-type: none"> »Learn a trade »Take current training and skills to a higher level »Receive placement services »Decrease perception of reliance and increase independence •Health and Healthcare Strategies – Advantages of improved health: <ul style="list-style-type: none"> »Encourages taking control over health and health-related activities »Promotes personal self-reliance »Supports return-to-work strategies •Identify and track work-related metrics and outcomes •Provide the bridge to obtaining employer-sponsored or marketplace insurance 		
<p><u>Short-Term Outcomes</u></p>		
<ul style="list-style-type: none"> •Culture of Work (i.e., promote a culture of work over dependency) •Increased: <ul style="list-style-type: none"> »Work history and experience assists with future employment opportunities »Skills translates to promotions, job stability, marketable and transferable skills »Computer literacy/internet/email experience by required use of the ARWorks Portal •Positive impact on: <ul style="list-style-type: none"> »Socialization opportunities »Personal and life stability »Support structure 		
<p><u>Intermediate Outcomes</u></p>	<p><u>Long-Term Outcomes</u></p>	
<ul style="list-style-type: none"> •Enhanced financial circumstances, and improved financial stability •Improved health and personal security •Decreased perception of challenges in life and for employment, promotion, etc. 	<ul style="list-style-type: none"> •Significant health and mental health benefits •Upward mobility •Financial independence •Positive inter-generational influence •Longer, healthier lives 	
<p><u>Intermediate & Long-Term Outcomes</u></p>		
<ul style="list-style-type: none"> •Prioritization of governmental resources •Increased sustainability of the Arkansas Medicaid program with the goal of being able to provide medical assistance to those needing such programs 		
<p><u>Confounding Variables</u></p>		
<ul style="list-style-type: none"> •<u>Current work status</u> <ul style="list-style-type: none"> »Already working – <ul style="list-style-type: none"> -Full time -Part time »Not working due to – <ul style="list-style-type: none"> -School attendance -Care-giving -Illness or disability -Another reason 	<ul style="list-style-type: none"> •<u>Social Determinants of Health</u> <ul style="list-style-type: none"> »Current health status and medical issues »History of job instability or unemployment »Education level »Multi-generational poverty »Support system (Lack of one) »Housing & Food insecurity 	<ul style="list-style-type: none"> •<u>Life Disruptions (Major/Minor)</u> <ul style="list-style-type: none"> »Divorce »Becoming a caretaker for family member »Death of spouse/family member »Unintended pregnancy »Becoming homeless »Natural disaster/catastrophe
<ul style="list-style-type: none"> •<u>Personal Characteristics</u> <ul style="list-style-type: none"> »Learned behaviors 	<ul style="list-style-type: none"> •<u>Economic environment:</u> <ul style="list-style-type: none"> »Overall economy 	

<ul style="list-style-type: none"> »Personal goals and desires 	<ul style="list-style-type: none"> »Location-specific economic factors (e.g., local, regional, rural, urban, etc.) »Strong/Weak job market (↑ or ↓ success)
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The Evaluation population will consist of those individuals who are enrolled in ARWorks and were not initially exempt from the WCE requirements. The Evaluation population will include current and newly-enrolled beneficiaries. Their participation in ARWorks will be tracked over time. A subset of this group will be interviewed over time in order to understand the individual’s reason(s) a person chose to participate or not.

There are 69,000 individuals that DHS estimates will not be initially exempt from the WCE requirements. This is a sufficiently large group to support a statistically reliable sample size. The Evaluation will use a variety of data sources including monthly enrollment data and the data under the Outcome Monitoring Plan (“Monitoring Plan”) which will contain the following statistics:

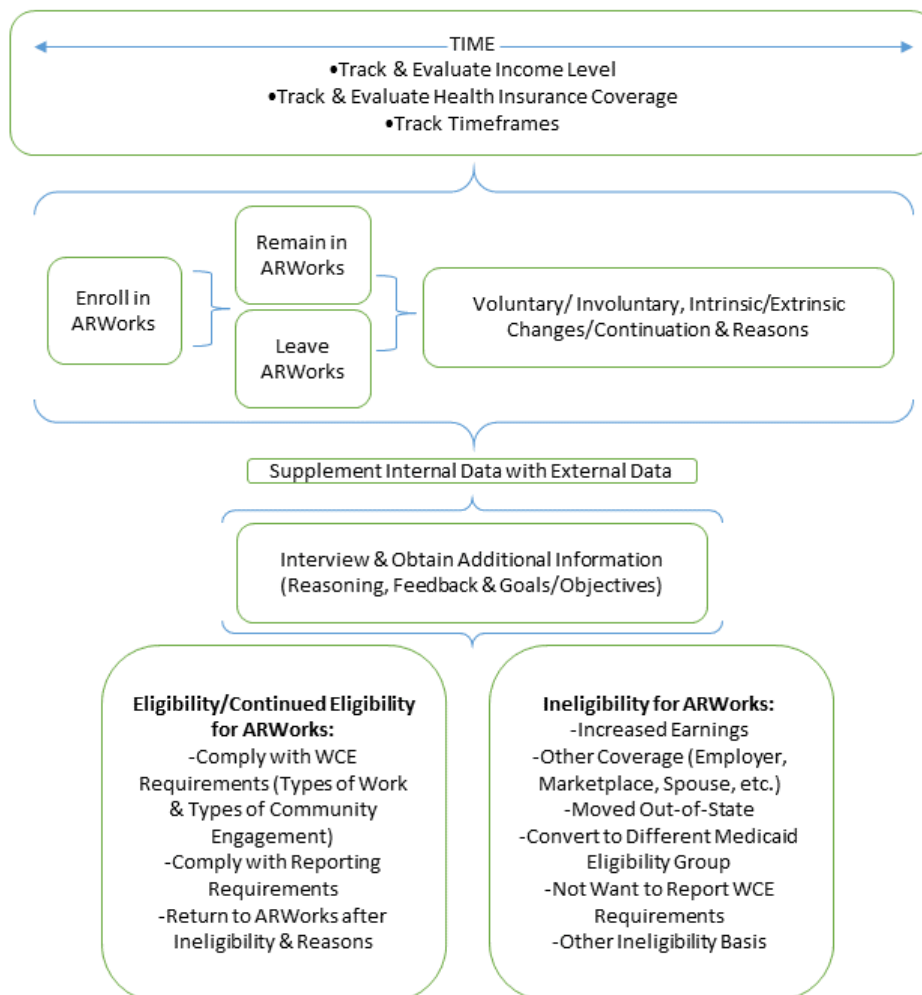
<ul style="list-style-type: none"> •Number and percentage of: 	<ul style="list-style-type: none"> -individuals required to report each month -beneficiaries who are: <ul style="list-style-type: none"> »exempt from the community engagement requirement. »requesting good-cause exemptions from reporting requirements »granted good-cause exemption from reporting requirements »requesting reasonable accommodations -beneficiaries disenrolled for: <ul style="list-style-type: none"> »failing to comply with community engagement requirements »failing to report »failing to meet community engagement and reporting requirements -community engagement appeal requests from beneficiaries -applications made in-person, via phone, via mail and electronically
<ul style="list-style-type: none"> •Number, percentage and type of: 	<ul style="list-style-type: none"> -reasonable accommodations provided to beneficiaries -community engagement good-cause exemptions: <ul style="list-style-type: none"> »requested »granted -reporting good-cause exemptions: <ul style="list-style-type: none"> »requested »granted

In addition, the Evaluation will include personal interviews with individuals to understand their reasons for their choices. Through their choices, individuals will create subgroups that will describe their experiences to remain or leave the program over time.

<p>Remain – Those who remain on the program (or return to it) may do so for a variety of reasons that are important to understand:</p> <ul style="list-style-type: none"> •Comply with WCE requirements in order 	<p>A sample of those who remain will be interviewed to obtain their views on the importance of insurance coverage and on their access to health care. DHS anticipates that</p>
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<p>to maintain coverage</p> <ul style="list-style-type: none"> •Convert to a different Medicaid eligibility group (pregnancy, disability) •Return to ARWorks, even after a loss of coverage for a new coverage year 	<p>appropriate questions from the National Health Interview Survey for adults will be used for this purpose.¹¹</p>
<p>Leave – It is also critical to understand why individuals leave ARWorks, which may be categorized as voluntary/involuntary, intrinsic/extrinsic, or in multiple categories, from the beneficiary’s and DHS’s standpoint:</p> <ul style="list-style-type: none"> •Earnings increased •Alternate coverage source (e.g., spouse) •Did not want to report •Moved out-of-state •Requested or Required closure •Noncompliance/Sanctioned (case closed) 	<p>A sample of those who leave will be interviewed to obtain their views on the importance of insurance coverage and on their access to health care. DHS anticipates that appropriate questions from the National Health Interview Survey for adults will be used for this purpose.</p>

DHS anticipates that the WCE requirement cycle – and subsequent evaluation – will broadly follow this evolution of adherence or non-adherence:



By definition, everyone in the Evaluation group has low wages at the point-in-time in which they reported income at or below 138% FPL (\$16,753 annually; \$1,396 monthly for a single individual) and were enrolled in ARWorks. The Evaluation will examine how individuals who leave because of increased wages:

- Learned new skills
- Completed education
- Increased from part-time to full-time work

The Evaluation Period will use data from January 2018 through December 2021. Although the WCE activities do not begin until June 1, 2018, data prior to the implementation is necessary to set the baseline for comparison.

The principal measures are income levels and health insurance coverage. Overall, the experience of individuals will be analyzed over time, comparing their income and health insurance coverage at the end of the Demonstration on December 31, 2021, to their income and health insurance coverage on January 1, 2018. Additionally, a sample of participants will be interviewed to obtain their views on the importance of insurance coverage and on their access to health care. DHS anticipates that appropriate questions from the National Health Interview Survey (NHIS) for adults will be used for this purpose.

Data sources will include enrollment sets from DHS and from the Monitoring Plan. In addition, a statistically-valid sample population will be interviewed by a contractor selected through a RFP process.

There are two major challenges to be faced in the Evaluation:

1	Enrollment churn: Individuals moving on and off the program for reasons unrelated to work requirements.
2	Income is likely under-reported. Currently: »80.5% of able-bodied adults without dependents age 19 to 29 and »88% of able-bodied adults without dependents age 30 to 49 report income of 0 to 25% of the FPL.

CONTINUED ACCESS TO HEALTH CARE

Should individuals choose not to participate in the Medicaid work requirements and involuntarily leave their coverage, they will still have access to health care. Although it is one of the poorest states in the nation, Arkansas is fortunate to have more than 100 Community Health Center (CHC) service locations across the state. In addition, there are 13 Community Mental Health Centers (CMHC) that are responsible for providing services to uninsured individuals with mental health needs in regions that cover the entire state. These clinics are geographically dispersed throughout the state and cover counties with the highest poverty levels within the state.

The CHCs and CMHCs served many low-income Arkansans prior to adoption of the Adult Expansion Group regardless of their insurance status. They provide a “patient-centered model of healthcare delivery, offering comprehensive services to patients at each clinic.” (See End Note 12.) Services include:

- Family medicine
- Internal medicine
- Pediatrics
- Obstetrics and gynecology
- Oral health
- Diagnostic and basic radiology services
- Mental health and behavioral healthcare
- Healthcare accessibility services like transportation and translation/interpretation

However, DHS anticipates that the successful RFP contractor will have the skills to mitigate these challenges.

The Monitoring Plan, described herein, provides additional information on the implementation of the Demonstration. The analytic methods will be described in detail through the RFP process and the successful contractor.

DHS fully expects this to be a rigorous Evaluation with sufficient data and protocols to strongly support this Demonstration Project of national significance. Additional information about the independent evaluator, the evaluation budget and supplementary timeline points and major milestones will be added at a future date because of the RFP process which generally is a six- to nine-month procurement process.

As the RFP is developed, and feedback is received from potential vendors, the Design Table for the Demonstration Evaluation, below, will continue to mature:

Research Question	Outcome Measures Used to Address the Research Question	Sample or Population subgroups to be compared	Data Sources	Analytic Method
Hypothesis 1: Work and Community Engagement requirements promote personal responsibility and work				
<ul style="list-style-type: none"> •Changes in work status before, during and after WCE requirements period over time •Changes in level of job placement and job security over time •Changes in level of independence over time •Changes in intrinsic perception of personal responsibility and ability for self-care over time 	<ul style="list-style-type: none"> •Work situation, including FT, PT, seasonal, etc., including any changes •Utilization rate of services offered by Arkansas DWS •Determine measurement (how beneficiary measures the benchmark), baseline and subsequent changes in: <ul style="list-style-type: none"> »Job security »Independence »Personal Responsibility »Ability for self-care 	<ul style="list-style-type: none"> •Medicaid beneficiaries without ARWorks exemptions/accommodation •Medicaid beneficiaries with ARWorks exemptions/accommodation •Medicaid beneficiaries not subject to ARWorks requirements 	<ul style="list-style-type: none"> •Claims data •Self-reported information from Medicaid beneficiaries through the ARWorks portal •Interviews •Surveys •Information from other programs and partners, including community engagement resources 	<ul style="list-style-type: none"> •Will be fully developed and refined in RFP process

Hypothesis 2: Work and Community Engagement requirements encourage movement up the economic ladder				
<ul style="list-style-type: none"> •Changes in level of income and benefits provided through work or other sources over time •Changes in level of housing and food security over time •Changes in intrinsic perception of: <ul style="list-style-type: none"> »Financial Success »Challenges faced to obtain an improved life •Changes in intrinsic perception of self-reliance over time 	<ul style="list-style-type: none"> •Determine measurement (how Medicaid beneficiary subject to ARWorks requirements measures the benchmark), baseline and subsequent changes in: <ul style="list-style-type: none"> »Financial Success »Housing Situation »Food situation »Life challenges »Self-Reliance 	<ul style="list-style-type: none"> •Medicaid beneficiaries without ARWorks exemptions/ accommodation •Medicaid beneficiaries with ARWorks exemptions/ accommodation •Medicaid beneficiaries not subject to ARWorks requirements 	<ul style="list-style-type: none"> •Tax returns •Self-reported information from Medicaid beneficiaries through the ARWorks portal •Interviews •Surveys •Information from other programs and partners, including community engagement resources 	<ul style="list-style-type: none"> •Will be fully developed and refined in RFP process
Hypothesis 3: Work and Community Engagement requirements facilitate transition from ARWorks to employer-sponsored insurance or marketplace coverage				
<ul style="list-style-type: none"> •Changes in health insurance coverage before and during WCE requirements period •Changes in health before and during WCE requirements period 	<ul style="list-style-type: none"> •Track type, source and benefit level of health insurance •Determine measurement (how Medicaid beneficiary subject to ARWorks requirements measures the benchmark), baseline and subsequent changes in health situation 	<ul style="list-style-type: none"> •Medicaid beneficiaries without ARWorks exemptions/ accommodation •Medicaid beneficiaries with ARWorks exemptions/ accommodation •Medicaid beneficiaries not subject to ARWorks requirements 	<ul style="list-style-type: none"> •Claims data •Tax returns •Self-reported information from Medicaid beneficiaries through the ARWorks portal •Interviews •Surveys •Information from other programs and partners, including community engagement resources 	<ul style="list-style-type: none"> •Will be fully developed and refined in RFP process

6. Outcome Monitoring Plan and Timeline

Planning, policy and system development, partner and stakeholder engagement, and resource availability assessment began in January 2017 and have been ongoing.

Upon approval of the work and community engagement amendment, Arkansas began finalizing plans and testing of the process to implement the requirement on June 1, 2018.

The planning, testing, implementation, and monitoring timeline is provided below:

•3/15/18	<ul style="list-style-type: none">»Mass notice was issued to all ARWorks beneficiaries informing them of the change in the program and upcoming implementation of WCE requirements.»The notice instructed them that no additional action is required at that time and will encourage them to provide an email address to Arkansas DHS if they have not already.
•3/30/18	<ul style="list-style-type: none">»Successful “go live” for the ARWorks online portal.»Beneficiaries are able to begin linking their secure online accounts and reporting exemptions.
•4/1/18	<ul style="list-style-type: none">»New ARWorks beneficiaries ages 30 – 49 approved beginning April 1, 2018, or later will become subject to the WCE.»These beneficiaries will have their begin dates for completing and reporting work activities set to begin the second month after approval.
•4/1/18 – 4/8/18	<ul style="list-style-type: none">»Work requirement begin months will be set for beneficiaries 30 – 49 years of age.»Notices will be mailed to each individual with specific details about the WCE requirement, services available through Arkansas DWS, and instructions on how to access and log in to the online portal.
•4/13/18	<ul style="list-style-type: none">»The first data file of ARWorks beneficiaries containing specific information regarding WCE details were provided to Arkansas DWS, the Medicaid Beneficiary Relations vendor, and QHP carriers.»Outreach and education will begin.»Updated files will be provided weekly thereafter.
•5/8/18	<ul style="list-style-type: none">»ARWorks beneficiaries ages 30 – 49 who are scheduled to begin the WCE requirement in June 2018 were mailed individually tailored notices. The notice will contain information regarding any exemption and the type of exemption that has been identified through data in systems.»Those who are exempt will be instructed that no additional action is necessary unless their circumstances change and that they will be notified when they are expected to take further action.»Those without an identified exemption will receive a notice that instructs them that they will be required to begin completing and reporting work activities during the month of June 2018. The notice will contain full details about the work requirement, how and where to report a previously unidentified exemption and / or completion of work activities. The notice will inform them of the consequence of non-compliance.
•6/1/18	<ul style="list-style-type: none">»Implementation of mandatory work requirements begins for individuals ages

	30 - 49.
•6/8/18	»ARWorks beneficiaries ages 30 – 49 who are scheduled to begin the WCE requirement in July 2018 will be mailed individually tailored notices.
•7/8/18	»ARWorks beneficiaries ages 30 – 49 who are scheduled to begin the WCE requirement in August will be mailed individually tailored notices.
•7/30/18	»Monitoring phase begins. »First quarterly report will be submitted to CMS (Center for Medicare and Medicaid Services).
•8/8/18	»ARWorks beneficiaries ages 30 - 49 who are scheduled to begin the WCE requirement in September 2018 will be mailed individually tailored notices.
•10/30/18	»Second quarterly monitoring report will be submitted to CMS.
•11/1/18	»New ARWorks beneficiaries ages 19 - 29 approved beginning November 1, 2018, or later will become subject to the WCE. »Their beginning dates for completing and reporting work activities set to begin the second month after approval.
•11/1/18 – 11/8/8	»Work requirement phase in will be set based on renewal months for beneficiaries 19 - 29 years of age. »Notices will be mailed to each individual with specific details about the WCE requirement, services available through Arkansas DWS, and instructions on how to access and log in to the online portal.
•12/8/18	»ARWorks beneficiaries ages 19 - 29 who are scheduled to begin the WCE requirement in January 2019 will be mailed individually tailored notices. The notice will contain information regarding any exemption and the type of exemption that has been identified through data in systems. »Those who are exempt will be instructed that no additional action is necessary unless their circumstances change and that they will be notified when they are expected to take further action. »Those without an identified exemption will receive a notice that instructs them that they will be required to begin completing and reporting work activities during the month of January 2019. The notice will contain full details about the work requirement, how and where to report a previously unidentified exemption and / or completion of work activities. The notice will inform them of the consequence of non-compliance.
•1/1/19	»Implementation of mandatory work requirements begins for individuals ages 19 - 29.
•1/8/19	»ARWorks beneficiaries ages 19 - 29 who are scheduled to begin the WCE requirement in February 2019 will be mailed individually tailored notices.
•1/30/19	»Third quarterly monitoring report will be submitted to CMS.
•2/8/19	»ARWorks beneficiaries ages 19 - 29 who are scheduled to begin the WCE requirement in March 2019 will be mailed individually tailored notices.
•3/8/19	»ARWorks beneficiaries ages 19 - 29 who are scheduled to begin the WCE requirement in April 2019 will be mailed individually tailored notices.
•4/30/19	»Fourth quarterly monitoring report will be submitted to CMS.

All of the data required to produce these Outcome Monitoring reports is owned by Arkansas DHS. With the exception of the good-cause exemption reports and the WCE appeal requests,

these reports will be system-generated from the eligibility system data warehouse. Requirements, design, and delivery of these reports are covered by the Arkansas DHS contractual agreement with the eligibility system developer.

A database outside of the eligibility system is being developed by DHS to track and report all good-cause exemption metrics. Appeal metrics will be tracked and provided by the DHS Office of Chief Counsel Appeals and Hearings section. These reports will be compiled monthly and will be reported to CMS quarterly. Documentation on design requirements for each report will be available at a later date when report development is complete.

7. Arkansas Works Application and Renewal Overview

Applications for healthcare coverage are accepted through multi-channels including online, by phone, in person, and by mail. Application assistance is provided by Arkansas DHS staff both in person and by phone.

No changes are needed to the current process for applications related to the addition of the WCE requirement. Assistance is provided in local offices to those who need assistance completing applications. Arkansas DHS also maintains a contract with a vendor who provides interpretation and translation services. This service is accessible statewide and each DCO county office (DHS Division of County Operations) can access the vendor as needed to assist individuals.

Arkansas DHS also accepts applications from incarcerated individuals up to forty-five (45) days prior to release. The Arkansas Department of Corrections has contracted with a vendor to assist exiting inmates with the application process for Medicaid prior to release.

Applications received from beneficiaries who lost eligibility due to non-compliance with WCE requirements will be denied if received prior to the yearly open enrollment period. Applications received during open enrollment will be processed with coverage beginning on January 1 of the following year for beneficiaries that are otherwise eligible. The State's reasonable accommodation process is available in a procedural desk guide.

Renewals are conducted monthly through an *ex-parte* process. Beneficiaries whose renewals cannot be completed *ex-parte* are sent specific notices to provide information that is needed to complete the renewal. Beneficiaries are not required to complete forms that require information that has been previously provided or is available to DHS.

ARWorks beneficiaries who are subject to WCE requirements will have their renewals completed by the same method as beneficiaries who are not subject to WCE activities. Work activity reporting continues through the online portal with no interruption or change to the reporting process during renewal. Being non-compliant in the month a beneficiary's case is due for renewal does not prevent the *ex-parte* renewal process from occurring.

Arkansas monitors Medicaid timeliness with data, and conducts a weekly Medicaid Eligibility Operations meeting to review progress and develop strategies to address any issues that arise. Weekly management reports are reviewed by the team during each meeting. Timeliness reports

can be provided along with other quarterly reports. Additional information is also reported to CMS monthly through Performance Indicators.

Arkansas DHS completes daily electronic account transfers to the federally-facilitated marketplace for individuals determined to be ineligible for Medicaid.

No changes to this process are necessitated by the addition of the WCE process.

8. Work and Community Engagement Overview and Operational Approach

Population Subject to Work Requirements

Once work requirements are implemented in June of 2018, ARWorks beneficiaries ages 19 to 49 who do not meet established exemption criteria will be required to meet work requirements as a condition of continued ARWorks eligibility. Work requirements will not apply to ARWorks beneficiaries ages 50 and older.

Allowed Work Activities and Work Activity Hour Calculations

ARWorks beneficiaries ages 19–49 who are not exempt must engage in 80 hours of monthly WCE activities. ARWorks beneficiaries can meet the work requirements by either meeting SNAP work requirements or by completing at least 80 hours per month of some combination of the following activities as deemed appropriate by the state. ARWorks beneficiaries must demonstrate electronically on a monthly basis that they are meeting the work requirement.

Work Activity	Work Activity Hours
Employment or Self-Employment	<ul style="list-style-type: none"> •Reported income divided by Arkansas minimum wage = work activity hours
Going to school, job training, vocational, or other educational program	<ul style="list-style-type: none"> •English As a Second Language (ESL): 1 hour of instruction = 2.5 work activity hours •GED (General Equivalency Diploma)/Basic Skills/Literacy: 1 reported hour = 2 work activity hours •College/University: 1 credit hour = 2.5 work activity hours •High School: 1 hour of instruction = 2.5 work activity hours •Occupational Training: 1 hour of instruction = 2 work activity hours •Unpaid Job Training: 1 reported hour = 1 work activity hour •Vocational Training: 1 credit hour = 2.5 work activity hours
Volunteering	<ul style="list-style-type: none"> •1 reported hour = 1 work activity hour

Job Search or Job Search Training up to 39 total hours each month	<ul style="list-style-type: none"> •Job Search: 1 reported job contact = 3 work activity hours •Job Search Training: 1 reported hour = 1 work activity hour
Health Education Class up to 20 hours each year	<ul style="list-style-type: none"> •1 reported hour = 1 work activity hour
Any activity that satisfies the SNAP Work Requirement	<ul style="list-style-type: none"> •Determined by the SNAP program

Exemption from Work Requirements

ARWorks beneficiaries meeting one of the criteria below will be exempt from work requirements. Exemptions will be identified through a beneficiary’s initial application for coverage, an electronic submission demonstrating the exemption, or a change in circumstances submission. Depending on the criteria, exemptions will be valid for the respective durations specified below.

When a beneficiary’s exemption expires, he or she will be required to demonstrate that the exemption is still valid and continues. Information provided during the application process and data obtained systematically will be used to identify several types of exemptions including employment and self-employment of at least 80 hours a month, medical frailty, exemption from the SNAP work requirement, receipt of TEA Cash Assistance, and receipt of unemployment benefits. Beneficiaries for whom an exemption is not established during the application process will have an opportunity to attest to an exemption upon approval.

Exemption Criteria	Duration of Exemption
Beneficiary’s income is consistent with being employed or self-employed at least 80 hours per month	Exemption valid until a change in circumstances or renewal
Beneficiary attends high school, an institution of higher education, vocational training, or job training on a full-time basis	Exemption valid for six months before beneficiary is required to demonstrate that he or she is still exempt; beneficiary must demonstrate meeting the exemption again at renewal
Beneficiary is exempt from SNAP work requirements	Exemption valid for duration of SNAP exemption
Beneficiary is receiving TEA Cash Assistance	Exemption valid for duration that individual is receiving TEA Cash Assistance
Medically frail / Disabled	Exemption valid until a change in circumstance

Beneficiary is incapacitated in the short-term or is medically certified as physically or mentally unfit for unemployment	Exemption valid for two months before beneficiary is required to demonstrate that he or she is still exempt; beneficiary must demonstrate meeting the exemption again at renewal
Beneficiary is caring for an incapacitated person	Exemption valid for two months before beneficiary is required to demonstrate that he or she is still exempt; beneficiary must demonstrate meeting the exemption again at renewal
Beneficiary lives in a home with a dependent child age 17 or younger	Exemption valid until a change in circumstances
Beneficiary is receiving unemployment benefits	Exemption valid for six months before beneficiary is required to demonstrate that he or she is still exempt; beneficiary must demonstrate meeting the exemption again at renewal
Beneficiary is currently participating in a treatment program for alcoholism or drug addiction	Exemption valid for two months before beneficiary is required to demonstrate that he or she is still exempt; beneficiary must demonstrate meeting the exemption again at renewal
Beneficiary is pregnant	Exemption valid until end of post-partum care

Disenrollment for Failure to Meet Work Requirement

Beneficiaries who are subject to work requirements will lose eligibility for ARWorks if they fail to meet work requirements for any three (3) consecutive or non-consecutive months during the coverage year. Effective as of the end of the third month of noncompliance, such beneficiaries who fail to meet the work requirements will be terminated from coverage, following proper notice and due process, and subject to a lockout of coverage until the beginning of the next coverage year, at which point they will be permitted to reenroll in ARWorks.

ARWorks beneficiaries whose coverage has been terminated due to non-compliance may apply for and receive coverage in other Medicaid categories if eligible during the lockout period. Notices of denial and closure due to non-compliance with WCE requirements will contain information about how to access primary and preventive care services at low or no cost at free health clinics and community health centers.¹² Closure of the ARWorks case will be transmitted to the InterChange Medicaid Management Information System (MMIS). Termination of the QHP premium payment is automated in the InterChange system.

Online Reporting

Arkansas has enhanced the innovation and administrative efficiency of the WCE requirement by planning and designing an online portal for beneficiaries to report their work activities, exemptions, and other household changes. This portal is actually an enhancement of the Cúram eligibility system that has already passed CMS readiness review standards. DHS required

through contract with Cúram developers that the portal is mobile-device friendly and ADA-compliant (Americans with Disabilities Act).

Beneficiaries will use an email address and password to access the online portal. Rather than providing verification of exempt or compliant status with paper documentation, beneficiaries will enter and attest to the information submitted through the online portal. These attestations will be evaluated through a robust quality assurance process. Use of the portal promotes WCE goals by reinforcing basic computer literacy/skills, internet navigation, and communication via email – all of which provide the beneficiaries additional transferrable work-related skills.

This approach is administratively efficient to implement. The eligibility system processes information submitted via the online portal automatically without worker intervention. This allows Arkansas to implement the WCE requirement without additional resources. Individuals, who are disabled, including mental and physical disability, will be exempt from WCE requirements and will not be at risk for losing coverage. Arkansas DHS will provide reasonable accommodations to assist individuals with the online reporting requirement. Beneficiaries may receive in-person assistance through the local DHS/DCO county offices. All notices provide instructions to contact the Access Arkansas Call Center or a DHS/DCO county office for help regarding WCE requirements.

Arkansas DHS has also developed a “Registered Reporter” process to assist individuals with their online reporting requirements. Individuals may become a registered reporter by reviewing specified online training material, signing a Registered Reporter Acknowledgement Form and emailing that form to Arkansas DHS. The beneficiary must also authorize the reporter to serve in that role. To promote this as an additional reporting support for ARWorks beneficiaries, Arkansas DHS will announce this process through a press release and schedule meetings and webinars with stakeholder agencies. Information on the process and training is available on the [ARWorks public SharePoint site](#):

Beneficiary Work and Community Engagement Online Reporting Requirements

Beneficiaries must use the online portal to report exemptions and submit completion of WCE activities. The WCE portal is part of the existing eligibility system. Information entered into the portal is seamlessly processed by the eligibility system with no additional beneficiary or DHS staff requirement to re-key or transfer the information into the system.

Exemptions must only be re-attested to by the beneficiary at the required intervals specified above. Completion of work activities must be entered and attested to monthly. Individuals will have until the 5th day of the following month to attest for the previous month.

The online portal is secure, mobile-device friendly, and compliant with the ADA. The portal requires an email address and password to access. To assist beneficiaries to prepare for this requirement, Arkansas DHS and the vendor-provided call center have conducted a campaign over the last several months where DHS encouraged beneficiaries to provide an email address. DHS also offered information about how to obtain free email addresses and assistance with setting up email addresses. DHS has been able to collect several thousand email addresses during this effort.

DHS has taken great care to make the reporting process as user-friendly as possible, and beneficiaries are provided a number of services related to the portal that will assist with this requirement:

- Password Reset: The portal allows beneficiaries to reset passwords through self-service.
- Customer Support:
 - »Technical assistance will also be available through the Access Arkansas call center for website and password issues.
 - »Beneficiaries who require assistance using the portal can receive assistance from several sources, including Arkansas DHS staff, call center agents, Arkansas DWS staff, or the beneficiary's QHP carrier.
 - »Each notice and flier regarding WCE direct beneficiaries who need help to contact the DHS via the toll-free call center or local DHS/DCO county office.
- Literacy Levels:
 - »Arkansas DHS worked with the University of Arkansas for Medical Sciences (UAMS) Center for Health Literacy team to help develop language for WCE notices and fliers.
 - »Similar verbiage was used on the portal for consistency and understanding at lower literacy levels.
- Interpretation/Translation: Arkansas DHS maintains a contract for language interpretation and translation. Beneficiaries who need assistance with languages other than English will be assisted in the local DHS/DCO county offices.
- Hours of Operation:
 - »The portal will be available daily between 7 AM and 9 PM except for times when it is necessary to take the portal offline for system upgrades.
 - »The website displays a notice each time it is offline for maintenance.
 - »Those outages when necessary are scheduled over weekends for minimal disruption.

»The State will make every effort not to schedule maintenance during the first through the fifth of each month for beneficiaries who need to report the previous month's activities before the reporting deadline.

Upon logging into the portal, beneficiaries will be able to see their WCE status for the current reporting month as well as history for the year-to-date. They will be able to update and confirm their contact information and household composition. Beneficiaries will know immediately upon submission if they have entered enough information to be considered compliant or exempt for the reporting month. If they have not yet completed 80 hours, the portal will display the number of hours needed to become compliant. Each portal screen includes information about the method for calculating completed hours for that activity.

Good-Cause Exemptions / Catastrophic Events

Beneficiaries who have experienced a catastrophic event during a month they were required to complete work activities will be exempt from work requirements or reporting by requesting and being granted a good-cause exemption. Circumstances that may lead to an approved good-cause exemption include, but are not limited to:

- Natural disaster,
- Hospitalization or serious illness,
- Birth or death of a family member living in the home, or
- Domestic violence.

Beneficiaries who have lost coverage due to non-compliance with the WCE requirement will have their cases reinstated without a new application if they are granted a good-cause exemption and are otherwise eligible.

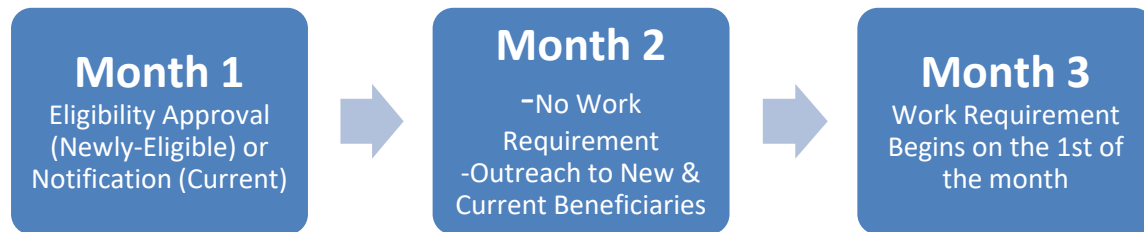
Information about good cause exemptions and how to request these is provided in all WCE notices. Verification of the catastrophic event which caused the beneficiary not to complete and/or report required activities will be required as part of the good-cause approval process. DHS staff may use discretion to waive the verification in cases such as natural disaster when the event is known to the general public.

Interim Period Prior to Work and Community Engagement Requirement – Outreach and Education

Newly-approved ARWorks beneficiaries who are subject to the WCE requirement will have an interim period of up to 59 days prior to beginning work activities. The work requirement will begin on the first of the second month after the month of approval. For example, a non-exempt beneficiary approved in the ARWorks program on any day during the month of April will be required to begin completing work activities on June 1st.

Through the implementation plan, existing beneficiaries will also have an interim period after notification before they are required to begin completing and reporting work activities. The interim period after notification will be used to conduct outreach to beneficiaries to educate them on all aspects of the work requirement including using the online portal, connecting with the Arkansas Department of Workforce Services and other resources to assist them with compliance

with work activities. The outreach will be done through a multi-media and multi-partner approach that includes Arkansas DHS, Arkansas DWS, the Medicaid Beneficiary Relations vendor, and QHP carriers.



Over the last several months, Arkansas DHS has developed several educational tools regarding WCE requirements that are intended to assist beneficiaries and partners alike. These tools include a computer-based training on the ARWorks program and the WCE requirement. Tutorials on linking their secure account on the portal, entering work activity and exemption information on the portal have also been developed. This ARWorks toolkit is available online to the public so that partners and beneficiaries can access the information as needed. The ARWorks toolkit, with links to education and outreach information, can be found on the [ARWorks public SharePoint site](#) shown above.

Work and Community Engagement Notices

In addition to traditional postal mail, Arkansas DHS will communicate with ARWorks beneficiaries who have provided email addresses through an electronic message to a secure inbox. The content of the notices will meet all requirements in the standards, terms, and conditions reflected in the approved §1115 waiver amendment. With the exception of good-cause exemption denials, all notices related to the WCE requirement are automated and system-generated in real time. This automation ensures that timely and adequate notice requirements are met. Specific notices related to WCE requirements have been developed and contain detailed information for beneficiaries.

Notices of either approval or denial of a good cause exemption will be manually generated and uploaded to the electronic case record. Additionally, a good-cause exemption functionality is on the roadmap to be developed in within the DHS eligibility system.

A separate tracking website will be developed and maintained for Arkansas DHS staff to use to track good cause exemption requests for noncompliance with work activities or reporting requirements until this capability is achieved in the eligibility system to meet CMS monitoring and reporting requirements included in the approved waiver amendment.

Community Resource Availability and Mapping

Arkansas DHS has been working with a team of partners and stakeholders for several months to identify community engagement resources throughout the state. This team includes Arkansas DHS, Arkansas DWS, Arkansas Center for Health Improvement, representatives from each ARWorks qualified health plan carrier, the Arkansas Hospital Association, UAMS, and the Arkansas Department of Career Education. Input and participation is open to interested

stakeholder organizations. DHS is also actively engaging other state agencies and non-profit agencies to assess their willingness and capacity to provide support to ARWorks beneficiaries in this and other ways. Arkansas DHS has lead on this project.

As a result of this effort, an ARWorks Resource Dashboard and Interactive Resource Map has been developed for users to click county by county for specific information on local resource availability. The [Resource Dashboard](#) allows beneficiaries to located valuable and needed information for effectively complying with all WCE requirements.

The [County-Specific Resources](#) resource map contains information on work and employment services, education and training opportunities, and volunteerism opportunities. The resource map also contains information on locations with public access to computers and free Wi-Fi and other supportive resources such as public transportation, substance abuse treatment, housing, and more. Public access to computers is being provided by Arkansas DHS, Arkansas DWS, Arkansas libraries and other community organizations.

Locations where beneficiaries and former beneficiaries can access free and reduced-cost health care have also been collected and made available in this map. DHS will include information in

notices for individuals who lose coverage due to non-compliance in addition to sharing this information through social media. This resource map will be available to the public online in the ARWorks information SharePoint site and will be updated quarterly and as new information becomes available.

An example of the ARWorks Resource Guide for Pulaski County, Arkansas, where Little Rock is located, is attached hereto as Attachment 1. The guides are down-loadable and have hyperlinks throughout for each easy access to additional resources.

Quality Assurance and Fraud Process

Arkansas DHS will conduct a monthly quality assurance process to validate exemptions and work activities that have been attested to by beneficiaries as a special effort in addition to normal PERM (Payment Error Rate Measurement) and MEQC (Medicaid Eligibility Quality Control) requirements. The quality assurance process will include reviewing a statistically valid random sample to achieve a 95% (+ / - 3% variance) level of confidence.

In addition to these quality assurance reviews, Arkansas DHS will review data on attestations monthly and quarterly from the universe of ARWorks beneficiaries who are subject to WCE requirements to identify trends and potential anomalies that should also be reviewed for

accuracy. Based on the outcomes of these reviews, the quality assurance process will be enhanced with additional reviews in error-prone areas.

The quality assurance component will be promulgated in Medicaid eligibility rules. Specific quality assurance processes will be outlined in a procedural desk guide for DHS staff. If inaccuracies are discovered during the quality assurance process, appropriate action will be taken to remove months of exemption or compliance. If this results in three months of non-compliance for the calendar year, the ARWorks case will be closed and referred for investigation as potential fraud and overpayment.

Appeal Process

Beneficiaries will be provided full appeal rights with regard to WCE requirements just as they have for other Medicaid eligibility determinations. The process will be the same regardless for the reason for appeal. Each notice contains information about beneficiaries' rights to appeal and how to request an appeal. Requests for appeal that are received in DHS/DCO county offices are forwarded to the DHS Office of Chief Counsel Appeals and Hearings Unit who schedule and conduct appeal hearings and render decisions.

Data Exchange between Programs and Partners

To ensure that dual ARWorks and SNAP beneficiaries have no additional compliance or reporting requirements, Arkansas DHS will use data exchanges between systems to record compliance and exemption information. This data exchange is currently in the final stages of testing.

SNAP and ARWorks beneficiaries may choose to comply through either program.

To ensure a robust outreach and education process, a weekly data file will be shared with Arkansas DWS, the DHS Medicaid Beneficiary Relations vendor, and each QHP carrier. Information provided to carriers will be limited to ARWorks beneficiaries that are members of their individual plans. The file will contain information on each beneficiary that includes:

- Contact information,
- Work and community engagement exemption and compliance information,
- Type of exemption,
- Number of months of cumulative non-compliance,
- Compliance status for the current month, and
- Renewal month.

This level of detail will allow DHS's partners to conduct specific outreach and education encouraging beneficiaries to participate and complete work activities.

Arkansas DHS has also leveraged its current contract for Medicaid beneficiary relations with the Arkansas Foundation for Medical Care (AFMC) to provide outreach and education about the WCE requirement. AFMC will do active outreach to educate ARWorks beneficiaries who need to complete WCE activities to make sure they understand the requirements. AFMC will also provide education and assistance to beneficiaries on how to properly and timely report their

activities and to direct them to the Arkansas Department of Workforce Services, SNAP Employment and Training (SNAP E&T) vendors, or other resources as appropriate to help them comply with work requirements. Contractual requirements for WCE include an outreach period 30 days prior to the beginning of WCE requirements for existing ARWorks beneficiaries.

Outreach and education methods will include outbound phone contact as well as an inbound integrated voice response system where beneficiaries can receive education about WCE requirements. All scripts and materials used by AFMC will be approved by DHS. AFMC will also spend the first 12 days conducting outreach and education after an ARWorks beneficiary is approved with WCE requirements. AFMC must successfully contact and educate 30% of existing ARWorks beneficiaries and 40% of newly-approved ARWorks beneficiaries. To facilitate the successful outreach and education, AFMC staff has received training and access to the DHS Cúram eligibility system. AFMC will also be receiving a daily and monthly file containing ARWorks beneficiaries with WCE requirements and their current status related to these activities. AFMC is required to make a minimum of two (2) attempts by a live agent to contact beneficiaries by phone when a phone number is available. Additional attempts and methods used by AFMC to reach their contractual obligations are not specified. AFMC will be required to provide DHS with results of outreach efforts through various reports.

Arkansas implemented the requirement to work in SNAP statewide in January 2016. Participation in SNAP E&T is one option available to SNAP recipients as a means to comply with SNAP work requirements. SNAP recipients may also comply on their own through work, education, training, or community service and volunteerism activities.

Since inception of the SNAP work requirement, Arkansas DHS partnered with the United States Department of Agriculture (USDA) Food and Nutrition Services (FNS) to expand the SNAP program in Arkansas. Initially, SNAP E&T was available in thirteen (13) counties across Arkansas. As of July 2018, Arkansas now has increased the number of counties with a SNAP E&T program to sixty-six (66) out of seventy-five (75) counties – and the number of included counties continues to increase.

In each county where it is available, DHS has either a contract or sub-grant agreement in place with at least one SNAP E&T vendor. Each SNAP E&T vendor must have a physical location to provide employment and training services.

USDA/FNS has also approved Arkansas to pilot virtual SNAP E&T case management. This will also participants in rural counties to meet with their E&T case manager virtually by using a laptop available for this purpose in the DHS/DCO county office.

Point-in-time data comparison in March 2018 between the SNAP program and ARWorks has shown that approximately twenty-two to twenty-five percent (22-25%) of ARWorks beneficiaries also receive SNAP. DHS plans to leverage the expanded SNAP E&T program to assist individuals who are dually-eligible for SNAP and ARWorks: ARWorks beneficiaries can be referred to SNAP E&T vendors for appropriate for assistance with job search and training in order to meet WCE requirements.

SNAP E&T vendors already conduct outreach to engage SNAP recipients. SNAP recipients who are also enrolled in ARWorks may satisfy WCE requirements in both programs by participating in a SNAP E&T program. A list of these SNAP E&T vendors and locations are included in the ARWorks county-specific resource guide, and as Attachment 2 hereto.

Dual SNAP and ARWorks beneficiaries will be allowed to satisfy the WCE requirement for both programs by participating in and reporting in either SNAP or the ARWorks program. They will not be required to comply with or report separately to both programs to maintain continued eligibility.

The ARWorks, SNAP and TEA programs reside in separate eligibility systems operated by Arkansas DHS. Working with contracted developers for both systems, Arkansas DHS developed a process whereby data files will be exchanged between these systems daily to update exemption and compliance information in both programs without manual intervention by the beneficiaries or DHS staff.

END NOTES

¹ Section 1901 of the Social Security Act, under Title XIX – Grants to State for Medical Assistance Programs (www.ssa.gov/OP_Home/ssact/title19/1901.htm).

² See, e.g., *How Does Employment – or Unemployment – Affect Health?*, Robert Wood Johnson Foundation Health Policy Snapshot, March 2013 Issue Brief (www.rwjf.org/content/dam/farm/reports/issue_briefs/2013/rwjf403360), and *The Impacts of Unemployment on Mental and Physical Health, Access to Health Care and Health Risk Behaviors*, Pharr, Jennifer R., et al., (www.hindawi.com/journals/isrn/2012/483432/). Disadvantages developed by unemployed workers, as well as advantages inured to employed adults, include, but are not limited to:

- “Laid-off workers are 54 percent more likely than those continuously employed to have fair or poor health, and 83 percent more likely to develop a stress-related condition, such as stroke, heart attack, heart disease, or arthritis.”
- “With respect to mental health, a 2010 Gallup Poll found that unemployed Americans were far more likely than employed Americans to be diagnosed with depression ...”.
- “The relationship between unemployment and poor health has been well documented.”
- “Unemployed participants had significantly worse perceived mental health profiles ...”.
- “Studies have also demonstrated a positive correlation between employment and better health, improved self-confidence, self-esteem, and happiness.”

Fortunately, a strong economy provides opportunities for lower-skilled workers. This includes younger workers, “mother headings families, and other groups not favored in the labor market.” *An Overview of Economic, Social and Demographic Trends Affecting the US Labor Market*, Lerman, Robert I. and Stefanie R. Schmidt, The Urban Institute, Final Report, August 1999, at page 1 (www.dol.gov/oasam/programs/history/herman/reports/futurework/conference/trends/trends.pdf).

³ See Arkansas’s Amended Waiver Request (www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/ar/ar-works-pa2.pdf). The purpose of the amendments is to “test innovative approaches to promoting personal responsibility and work, encouraging movement up the economic ladder, and facilitating transitions from Arkansas Works to employer-sponsored insurance and Marketplace coverage.” *Ibid.*

⁴ See Letter dated March 5, 2018, from Ms. Seema Verma, CMS Administrator, to Ms. Cindy Gillespie, Director, Arkansas DHS, regarding approval of Arkansas’s proposed amendment to the Arkansas Works program. On pages 3-4, Ms. Verma noted that:

Arkansas’ approach [to the WCE requirements] is informed by the state’s experience with the voluntary work-referral program in its current demonstration, which the state has not found to be an effective incentive. Since January 2017, certain individuals enrolled in Arkansas Medicaid have been referred to the Arkansas Department of Workforce Services (DWS), which provides a variety of services to assist individuals in gaining employment. Through October 2017, only 4.7 percent of beneficiaries followed through with the referral and accessed DWS services. Of those who accessed DWS services, 23 percent have become employed. This result suggests that referrals alone, without any further incentive, may not be sufficient to encourage the Arkansas Works population to participate in community engagement activities. CMS will therefore allow

Arkansas to test whether the stronger incentive model is more effective in encouraging participation.

⁵ On the Arkansas DHS public SharePoint site for DHS Policies and Publications (ardhs.sharepointsite.net/DHSPolicy/default.aspx), select “Division of County Operations Policies”.

⁶ Arkansas DHS/DCO Supplemental Nutrition Assistance Program (SNAP) Policy Table of Contents (ardhs.sharepointsite.net/DHSPolicy/DCOPublishedPolicy/Forms/SNAP.aspx).

⁷ See End Note No. 1, *supra*.

⁸ *Work Requirements, Time Limits, and Work Incentives in TANF, SNAP, and Housing Assistance*, Falk, Gene, Maggie McCarty and Randy Alison Aussenburg, Congressional Research Service, November 9, 2016, at page 2 ([greenbook-waysandmeans.house.gov/sites/greenbook.waysandmeans.house.gov/files/R43400%20-%20Work%20Requirements,%20Time%20Limits,%20and%20Work%20Incentives%20in%20TANF,%20SNAP,%20and%20Housing%20Assistance%200.pdf](https://www.waysandmeans.house.gov/sites/greenbook.waysandmeans.house.gov/files/R43400%20-%20Work%20Requirements,%20Time%20Limits,%20and%20Work%20Incentives%20in%20TANF,%20SNAP,%20and%20Housing%20Assistance%200.pdf)).

⁹ *Ibid.*

¹⁰ *Ibid.*, Table 5, at page 27.

¹¹ See *Detailed outline of core topics in the Redesigned National Health Interview Survey (NHIS) Sample Adult Questionnaire, Version: October 2017*, United States Center for Disease Control and Prevention (CDC) National Center for Health Statistics (NCHS) (www.cdc.gov/nchs/data/nhis/AdultNHISRedesignTopics20171027.pdf).

¹² Community Health Centers of Arkansas (chc-ar.org/) maintains a list and map of all CHC locations across Arkansas at chc-ar.org/find-a-clinic/ and chc-ar.org/health-centers-map/. See also “About Us” (chc-ar.org/about-us/) and “What Are CHCs?” (chc-ar.org/what-are-chcs/).

ABBREVIATIONS AND ACRONYMS

ACA	Affordable Care Act
ADA	Americans with Disabilities Act
AFMC	Arkansas Foundation for Medical Care
ARWorks	Arkansas Works
CHC	Community Health Center
CMHC	Community Mental Health Centers
CMS	Center for Medicare and Medicaid Services
CRS	Congressional Research Service
DCO	Division of County Operations
DHS	Department of Human Services
DWS	Arkansas Department of Workforce Services
E&T	Employment and Training
ESL	English As a Second Language
FFS	fee-for-service
FNS	Food and Nutrition Services
FPL	federal poverty level
GED	General Equivalency Diploma
MEQC	Medicaid Eligibility Quality Control
MMIS	InterChange Medicaid Management Information System
NHIS	National Health Interview Survey
PERM	Payment Error Rate Measurement
QHP	Qualified Health Plan
RFP	Request for Proposal
SNAP	Supplemental Nutrition Assistance Program
TEA	Transitional Employment Assistance
UAMS	University of Arkansas for Medical Sciences
USDA	United States Department of Agriculture
WCE	Work and Community Engagement

ATTACHMENTS

- Attachment 1 Arkansas Works – Pulaski County Resource Guide (22 pages/pdf)
- Attachment 2 SNAP E&T Coordinator List (8 pages/Word)