



# Arkansas Health and Opportunity for Me (ARHOME) Section 1115 Demonstration Waiver

**Q3 Monitoring Report**  
July-September 2022

## ❖ Introduction

The Arkansas Health and Opportunity for Me (ARHOME) program is Arkansas's program to provide Medicaid coverage to the new adult eligibility group created by the federal Affordable Care Act (ACA). The program operates as a demonstration waiver approved under the authority of Section 1115 of the Social Security Act. Under the waiver, the state uses Medicaid funding to purchase coverage through private Qualified Health Plans (QHPs) for eligible individuals. The ARHOME program was previously known as Arkansas Works, but Act 530 of 2021, passed by the Arkansas General Assembly, changed the program to ARHOME, effective January 1, 2022. The Centers for Medicaid and Medicare Services (CMS) approved the new five-year waiver (January 1, 2022, through December 31, 2026) on December 21, 2021.

The ARHOME program builds on the progress made by the Arkansas Works program in several important ways.

**Enhanced focus on improving clients' health.** New program provisions require QHPs to provide at least one health improvement incentive to their members or providers to encourage the use of preventive care and one health improvement incentive for each of the following populations:

- Pregnant women, particularly those with high-risk pregnancies
- Individuals with mental illness
- Individuals with substance use disorder
- Individuals with two or more chronic conditions

QHPs are also required to submit an annual strategic plan that includes activities to meet quality and performance metrics and activities to improve the health outcomes of people living in rural areas and the populations listed above. The Arkansas Department of Human Services (DHS) is monitoring improvement in health outcomes by measuring performance on selected health measures, such as the percentage of women receiving a mammogram.

**New efforts to reduce poverty and promote economic independence.** QHPs are required to offer at least one incentive to encourage advances in beneficiaries' economic status or employment prospects. Additionally, their annual strategic plans must describe these incentives and other activities supporting members' economic independence.

**Address social determinants of health through intensive care coordination for high-risk populations.** DHS is planning a significant new feature for ARHOME, the Life360 HOME program. The Life360 HOME project is modeled after the federal community bridge organization concept. Under the Life360 HOME plan, DHS will

partner with hospitals to provide additional support for several ARHOME focus populations:

- Women with high-risk pregnancies
- Individuals in rural areas with behavioral health needs
- Young adults who are most at risk of long-term poverty, including those who were previously in foster care, incarcerated, or in the Division of Youth Services custody and those who are veterans.

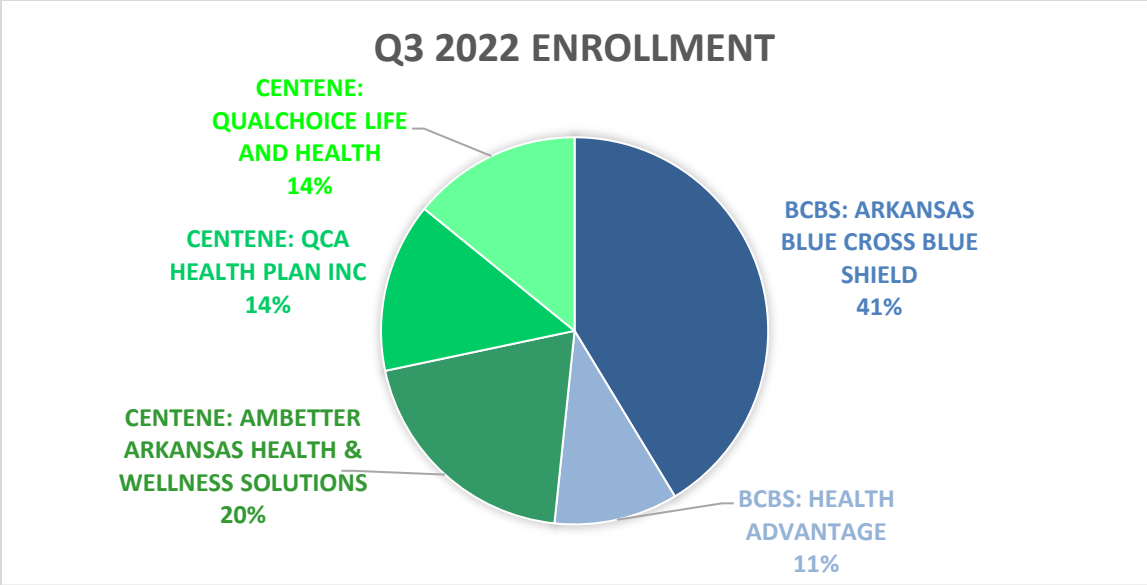
DHS will contract with hospitals to provide a broad array of intensive care coordination services for these populations within the ARHOME program. The care coordination services include home visitation for women with high-risk pregnancies and assistance addressing social determinants of health needs and enhancing life skills. The Life360 HOME will coordinate with clients' medical providers, but medical services will continue to be covered by the individual's QHP or fee-for-service Medicaid.

CMS approved the Life360 HOME program on November 1, 2022, through amended Special Terms and Conditions. DHS anticipates program startup to begin January 1, 2023.

## ❖ Utilization and Budget Neutrality

The ARHOME waiver allows Arkansas Medicaid to purchase private health insurance for the state's Medicaid expansion population. Through the program, DHS purchases for clients the lowest-cost qualifying silver-level plan offered on the Arkansas Health Insurance Marketplace and those whose premiums are within 10% of the lowest cost plan.

The ARHOME program currently purchases QHP coverage from two insurance carriers, Centene and Arkansas Blue Cross and Blue Shield (BCBS). Centene offers three QHPs for ARHOME clients, and BCBS offers two. The following chart shows ARHOME enrollment in each QHP on the first day of the quarter.

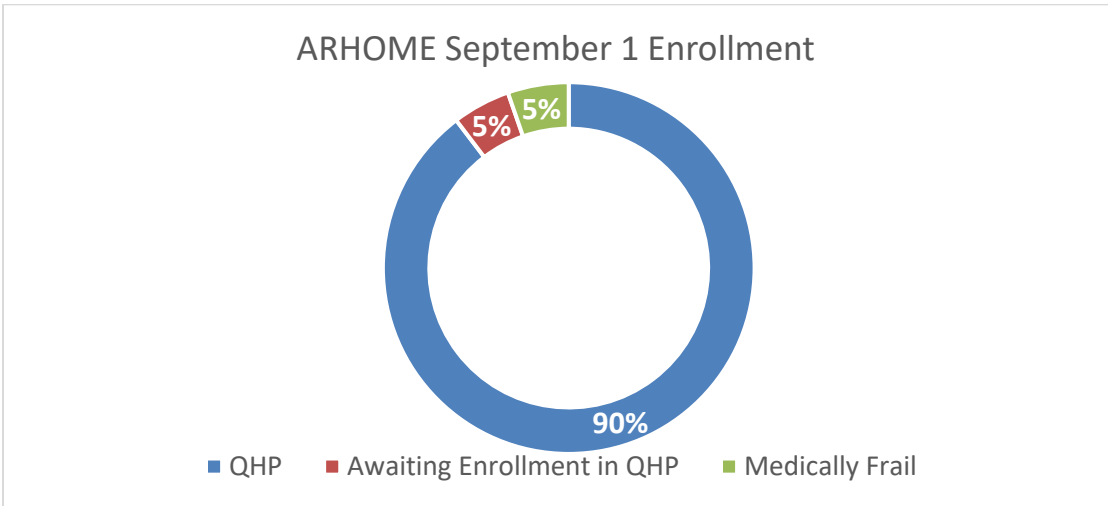


After individuals are determined eligible for ARHOME, they have 42 days to select a QHP. Those who do not select a plan are auto-enrolled in a QHP. Those who are auto-enrolled have 30 days to change their plan before their QHP coverage begins. While individuals wait for QHP enrollment, they receive coverage through traditional fee for service Medicaid. On September 1, the last month of the quarter, ARHOME enrollment was 343,363.

**Ninety percent** received ARHOME coverage through a qualified health plan (QHP) purchased through the Arkansas Health Insurance Marketplace.

**Five percent** were designated as medically frail and received services through fee-for-service Medicaid.

**Five percent** received service through fee for service Medicaid while awaiting enrollment in a QHP.



Due to the high percentage of enrollees in the program, beginning September 1, DHS suspended enrollee auto-assignment into QHPs to help with budgetary constraints. State law (A.C.A. § 23-61-1004(c)(2)(ii)), the DHS purchasing guidelines and the agreements with the carriers allow DHS to suspend auto-assignment if the total ARHOME enrollment exceeds 320,000 and the percentage of ARHOME clients enrolled in a QHP exceeds 80%. During the suspension, clients receive medical coverage through traditional Medicaid fee for service.

The table below shows the total enrollment numbers by month for ARHOME this quarter:

| <b>ARHOME Enrollment and Premium Information</b><br>(July - September 2022) |                                       |  |  |  |
|---|---------------------------------------|--|--|--|
| <b>Month</b>  | <b>Number of Individuals Enrolled</b> | <b>Number of Individuals Awaiting Assignment</b> | <b>Number of Medically Frail Individuals</b> | <b>Number of Individuals Enrolled in a QHP</b> |
| <b>July</b>   | 343,265                               | 19,470   | 18,881                                       | 304,984  |
| <b>August</b>   | 344,114                               | 18,173   | 18,596                                       | 307,345  |
| <b>September</b>  | 343,363                               | 17,304   | 18,240                                       | 307,819  |

Enrollment numbers reflect enrollment on the first day of each month, as of October 2022.

Individuals at or below 100% of the federal poverty level do not pay a premium or any copays for the care they receive. Individuals above 100% pay a \$13 premium each month for their coverage. They also pay a \$4 or \$8 copay when they access medical services, up to a maximum of \$60 per quarter.

### **EXPENDITURES AND BUDGET NEUTRALITY**

During this quarter, the total DHS payment for ARHOME clients enrolled in a QHP was \$608,400,867. Of this amount:

- \$447,246,066 was paid for premiums.
- \$157,598,623 was paid for advance cost-sharing reductions.
- \$3,556,178 was the total amount for wrap costs, which includes Non-Emergency Medical Transportation (NET) and Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) for 19- and 20-year-olds.

During the quarter, the program operated below the 2022 budget neutrality cap of \$717.25 per member per month.<sup>1</sup>

<sup>1</sup> Does not include total CSR payments, which are settled the subsequent year.

| Month     | Members with a Paid Premium | Premium Expenditures | Advance Cost Share Payments | Wrap Costs  | PMPM     | Budget Neutrality Limit |
|-----------|-----------------------------|----------------------|-----------------------------|-------------|----------|-------------------------|
| July      | 306,150                     | \$148,568,165        | \$52,353,620                | \$1,079,423 | \$659.81 | \$717.25                |
| August    | 308,484                     | \$149,388,555        | \$52,641,069                | \$1,087,660 | \$658.44 | \$717.25                |
| September | 308,729                     | \$149,289,346        | \$52,603,934                | \$1,389,095 | \$658.45 | \$717.25                |

During this quarter, the payments for all clients who received ARHOME coverage through QHPs remained below the budget neutrality cap. These payments do not include the final cost share reduction (CSR) reconciliation that is made at the conclusion of each waiver year. The current Memorandum of Understanding (MOU) with the carriers limits the total cost per individual to the budget neutrality per member per month (PMPM) cap.

## ❖ Operational Updates

### **PUBLIC FORUMS**

Act 530 of 2021 created the Health & Economic Outcomes Accountability Oversight Advisory Panel to monitor ARHOME's progress toward meeting client economic independence outcomes and health improvement outcomes. The Advisory Panel consists of legislators, state agency leadership, and other stakeholders and meets quarterly. The Advisory Panel's quarterly meeting was held on September 26, 2022, in Little Rock, AR. Discussion topics included the following updates on pending program changes and ARHOME program operations.

- Overview of the Life360 HOME program design to be submitted for state rules/promulgation including the three Life360s types, hospital eligibility criteria, monitoring metrics, and plans for client referrals, communications and outreach as well as funding methodology.
- Update the CMS review process of the Life360 HOME program proposal. DHS also provided updates on the timelines for legislative review, acceptance of Letters of Intent from hospitals and target date to startup the program.
- Program changes implemented in the third quarter, including transition of ARHOME enrollees to the Provider-led Shared Savings Entity (PASSE) and reduced retroactive eligibility. Other operational updates/upcoming changes included cost sharing changes, suspension of auto-assignment into QHPs, open enrollment dates, and updates to the memorandum of understanding (MOU) with the QHP carriers.

## **HEALTH OUTCOME PERFORMANCE TARGETS**

During the first two Health & Economic Outcomes Accountability Oversight Advisory Panel meetings held in September and December 2021, the Panel reviewed the baseline performance on selected claims-based health outcome measures and approved the 2022 performance targets that QHPs are required to meet.

The following tables provide the program and QHP performance on selected health quality metrics for 2019 and 2020. Program breakouts on the metrics are also available by race and by rural/urban areas of the state. DHS, with input from the Advisory Panel, set the QHP's 2022 performance targets based on the level of the highest performing plan in 2019 and 2020 for each measure. The established targets are based on the concept that all plans can and should be achieving at the level of the highest performer. The established performance targets for 2022 are shown in the first table in green. Performance target measures for birth outcomes in the second table will be established in December 2022 for the 2023 plan year.

| Measure  | Reporting Category  | CY   | Arkansas Works Overall <sup>†</sup> | By Qualified Health Plan |               |               |               | Segments within Arkansas Works |                |                   |               |               |               |
|--|---|------|-------------------------------------|--------------------------|---------------|---------------|---------------|--------------------------------|----------------|-------------------|---------------|---------------|---------------|
|  |   |      |                                     | Blue Cross Blue Shield   | Ambetter      | QCA           | Qual Choice   | By Urban/Rural                 |                | By Race/Ethnicity |               |               |               |
|  |   |      |                                     |                          |               |               |               | Urban                          | Rural          | White             | Black         | Other         | Unknown       |
| <b>TOTAL ENROLLEES</b>   |   | 2020 | <b>282,096</b>                      | <b>122,741</b>           | <b>53,378</b> | <b>41,790</b> | <b>39,587</b> | <b>158,640</b>                 | <b>121,874</b> | <b>153,926</b>    | <b>51,093</b> | <b>20,926</b> | <b>56,151</b> |
| <b>Primary Care Access and Preventive Care</b>   |   |      |                                     |                          |               |               |               |                                |                |                   |               |               |               |
| Cervical Cancer Screening (CCS-AD)   | Ages 21-64  | 2019 | <b>46.0%</b>                        | 44.4%                    | 42.1%         | 31.0%         | 30.2%         | 46.2%                          | 45.9%          | 45.3%             | 50.4%         | 50.9%         | 41.0%         |
|  |   | 2020 | <b>43.5%</b>                        | 41.3%                    | 38.4%         | 29.3%         | 29.6%         | 43.8%                          | 43.2%          | 43.0%             | 48.6%         | 46.4%         | 38.0%         |
| Chlamydia Screening (CHL-AD)   | Ages 21-24  | 2019 | <b>53.9%</b>                        | 53.6%                    | 53.6%         | <b>55.5%</b>  | 55.2%         | 52.7%                          | 55.5%          | 49.5%             | 65.6%         | 57.0%         | 50.9%         |
|  |   | 2020 | <b>52.5%</b>                        | 49.7%                    | 54.7%         | 52.3%         | 55.4%         | 52.4%                          | 52.6%          | 46.8%             | 65.0%         | 50.3%         | 53.7%         |
| Breast Cancer Screening  | Ages 50-64  | 2019 | <b>50.8%</b>                        | <b>54.0%</b>             | 49.1%         | 38.7%         | 42.2%         | 50.5%                          | 51.0%          | 49.0%             | 55.4%         | 57.9%         | 50.7%         |
|  |   | 2020 | <b>47.7%</b>                        | 50.9%                    | 47.1%         | 40.5%         | 41.0%         | 48.2%                          | 47.2%          | 46.0%             | 52.8%         | 52.6%         | 47.5%         |
| <b>Maternal and Perinatal Care</b>   |   |      |                                     |                          |               |               |               |                                |                |                   |               |               |               |
| Contraceptive Care – Postpartum Women (CCP-AD)   | Most or Moderately Effective Contraception – 60 Day: Ages 21-44 | 2019 | <b>54.3%</b>                        | 54.7%                    | 53.9%         | 50.4%         | <b>58.4%</b>  | 52.7%                          | 56.6%          | 55.3%             | 54.5%         | 49.4%         | 53.6%         |
|  |   | 2020 | <b>48.9%</b>                        | 46.6%                    | 50.0%         | 46.5%         | 49.8%         | 47.3%                          | 51.3%          | 52.5%             | 48.1%         | 40.7%         | 43.9%         |
| Contraceptive Care – All Women (CCW-AD)  | Most or Moderately Effective Contraception: Ages 21-44          | 2019 | <b>25.5%</b>                        | <b>27.0%</b>             | 24.0%         | 24.3%         | 24.3%         | 25.7%                          | 25.3%          | 25.2%             | 26.0%         | 26.4%         | 25.6%         |
|  |   | 2020 | <b>23.8%</b>                        | 25.2%                    | 22.3%         | 22.4%         | 21.5%         | 24.1%                          | 23.4%          | 23.5%             | 24.2%         | 23.9%         | 24.1%         |
| <b>Care of Acute and Chronic Conditions</b>  |   |      |                                     |                          |               |               |               |                                |                |                   |               |               |               |
| Diabetes Short-Term Complications Admission Rate, per 100,000 Member Months (PQI01-AD) | Ages 19-64  | 2019 | <b>26.2</b>                         | <b>14.2</b>              | 16.8          | 16.4          | 22.4          | 27.4                           | 24.8           | 26.6              | 26.8          | 20.2          | 26.7          |
|  |   | 2020 | <b>21.4</b>                         | 14.2                     | 15.5          | 30.9          | 27.5          | 24                             | 18.2           | 22.6              | 26.2          | 10.2          | 17.7          |
| COPD or Asthma in Older Adults Admission Rate, per 100,000 Member Months (PQI05-AD)    | Ages 40-64  | 2019 | <b>40.9</b>                         | 24.9                     | 32.2          | <b>18.3</b>   | 23.4          | 39.3                           | 42.8           | 45.8              | 26.4          | 33            | 41.1          |
|  |   | 2020 | <b>23.2</b>                         | 14.3                     | 17.2          | 19.2          | 7.7           | 22.5                           | 24.1           | 25.6              | 20.4          | 8.5           | 23.4          |
| Heart Failure Admission Rate, per 100,000 Member Months (PQI08-AD)                     | Ages 19-64  | 2019 | <b>23.9</b>                         | 13.9                     | 13.5          | <b>12.3</b>   | 13.9          | 28.1                           | 18.8           | 19.4              | 36.8          | 13.7          | 28.7          |
|  |   | 2020 | <b>22.8</b>                         | 14.4                     | 16.3          | 18.3          | 10.9          | 27                             | 17.4           | 19.8              | 36.8          | 13.8          | 21.6          |
| Asthma in Younger Adults Admission Rate, per 100,000 Member Months (PQI15-AD)          | Ages 19-39  | 2019 | <b>4.8</b>                          | 3.1                      | 3.3           | <b>2.1</b>    | <b>2.1</b>    | 5.1                            | 4.5            | 4.1               | 9.6           | 2.4           | 2.9           |
|  |   | 2020 | <b>2.1</b>                          | 1.6                      | 2             | 1.7           | 2.8           | 2                              | 2.2            | 1.9               | 4.5           | 1.4           | 0.6           |



| Measure   | Reporting Category                           | CY   | Arkansas Works Overall <sup>1</sup> | By Qualified Health Plan |              |              |              | Segments within Arkansas Works |        |                   |        |        |         |
|---|--|------|-------------------------------------|--------------------------|--------------|--------------|--------------|--------------------------------|--------|-------------------|--------|--------|---------|
|   |  |      |                                     | Blue Cross Blue Shield   | Ambetter     | QCA          | Qual Choice  | By Urban/Rural                 |        | By Race/Ethnicity |        |        |         |
|   |  |      |                                     |                          |              |              |              | Urban                          | Rural  | White             | Black  | Other  | Unknown |
| Plan All-Cause Readmissions (PCR-AD)  | Observed/Expected Ratio: Ages 19-64          | 2019 | <b>0.8506</b>                       | 0.8071                   | 0.8003       | 0.7065       | 0.9174       | 0.8268                         | 0.8801 | 0.8635            | 0.8239 | 0.719  | 0.8502  |
|   |  | 2020 | <b>0.7743</b>                       | 0.7072                   | 0.7528       | 0.4663       | 0.3911       | 0.7834                         | 0.7624 | 0.7967            | 0.8003 | 0.7193 | 0.6705  |
| Asthma Medication Ratio (AMR-AD)  | Ages 19-64                                   | 2019 | <b>46.9%</b>                        | 48.4%                    | 45.3%        | 50.0%        | <b>54.5%</b> | 50.2%                          | 43.3%  | 47.6%             | 47.4%  | 51.0%  | 42.9%   |
|   |  | 2020 | <b>42.4%</b>                        | 43.6%                    | 36.9%        | 43.0%        | 36.1%        | 45.6%                          | 38.2%  | 43.3%             | 40.0%  | 41.9%  | 41.7%   |
| <b>Behavioral Health Care</b>   |  |      |                                     |                          |              |              |              |                                |        |                   |        |        |         |
| Initiation and Engagement of Alcohol and Other Drug (AOD) Abuse or Dependence Treatment (IET-AD)                      | Initiation – Total AOD Treatment: Ages 19-64 | 2019 | <b>37.9%</b>                        | 37.4%                    | 38.5%        | <b>44.0%</b> | 41.5%        | 37.3%                          | 38.8%  | 39.1%             | 31.8%  | 36.9%  | 39.5%   |
|   |  | 2020 | <b>39.2%</b>                        | 39.8%                    | 40.2%        | 37.4%        | 38.5%        | 39.3%                          | 39.2%  | 40.5%             | 32.5%  | 37.7%  | 41.2%   |
|   | Engagement - Total AOD Treatment: Ages 19-64 | 2019 | <b>8.6%</b>                         | 9.6%                     | 9.8%         | 10.3%        | 8.6%         | 8.3%                           | 9.0%   | 9.5%              | 5.1%   | 8.6%   | 8.4%    |
|   |  | 2020 | <b>9.7%</b>                         | 9.5%                     | <b>12.0%</b> | 9.1%         | 10.1%        | 9.2%                           | 10.4%  | 10.7%             | 4.6%   | 9.8%   | 10.6%   |
| Antidepressant Medication Management (AMM-AD)   | Effective Acute Phase Treatment: Ages 19-64  | 2019 | <b>52.9%</b>                        | 55.5%                    | 56.0%        | 48.7%        | 54.8%        | 52.6%                          | 53.3%  | 55.0%             | 40.5%  | 48.2%  | 56.6%   |
|   |  | 2020 | <b>54.0%</b>                        | <b>56.7%</b>             | 55.1%        | 50.8%        | 52.2%        | 54.4%                          | 53.4%  | 56.6%             | 39.4%  | 51.9%  | 56.6%   |
|   | Effective Continuation Phase Treatment:      | 2019 | <b>37.1%</b>                        | 39.6%                    | 39.2%        | 35.6%        | 35.6%        | 38.0%                          | 36.0%  | 39.3%             | 25.6%  | 32.0%  | 39.7%   |
|   |  | 2020 | <b>38.1%</b>                        | <b>41.3%</b>             | 38.3%        | 35.2%        | 35.0%        | 38.2%                          | 38.0%  | 40.5%             | 24.6%  | 37.0%  | 40.7%   |
| Adherence to Antipsychotics for Individuals With Schizophrenia (SAA-AD)   | Ages 19-64                                   | 2019 | <b>44.1%</b>                        | 47.2%                    | 34.8%        | <b>65.0%</b> | 38.5%        | 41.1%                          | 47.3%  | 47.5%             | 36.6%  | 41.2%  | 42.1%   |
|   |  | 2020 | <b>47.2%</b>                        | 44.2%                    | 46.4%        | 52.1%        | 43.3%        | 45.7%                          | 49.1%  | 50.8%             | 43.2%  | 48.5%  | 39.1%   |
| Use of Pharmacotherapy for Opioid Use Disorder (OUD-AD)   | Overall Total: Ages 19-64                    | 2019 | <b>39.0%</b>                        | 47.1%                    | 36.5%        | 40.2%        | 45.1%        | 35.0%                          | 45.4%  | 42.3%             | 15.6%  | 28.6%  | 34.4%   |
|   |  | 2020 | <b>51.3%</b>                        | 54.0%                    | 54.1%        | <b>55.3%</b> | 51.6%        | 49.4%                          | 54.1%  | 55.2%             | 19.9%  | 45.0%  | 49.6%   |
| Diabetes Screening for People With Schizophrenia or Bipolar Disorder Who Are Using Antipsychotic Medications (SSD-AD) | Ages 19-64                                   | 2019 | <b>79.2%</b>                        | 80.5%                    | 80.6%        | 75.2%        | <b>81.1%</b> | 79.6%                          | 78.8%  | 80.3%             | 75.2%  | 78.9%  | 78.3%   |
|   |  | 2020 | <b>77.6%</b>                        | 78.3%                    | 79.2%        | 76.0%        | 79.4%        | 77.3%                          | 78.1%  | 78.1%             | 79.5%  | 73.2%  | 75.7%   |
| Use of Opioids at High Dosage in Persons Without Cancer (OHD-AD)  | Ages 19-64                                   | 2019 | <b>1.1%</b>                         | 1.3%                     | 1.1%         | 1.1%         | 0.7%         | 1.4%                           | 0.7%   | 1.0%              | 0.8%   | 0.7%   | 1.5%    |
|   |  | 2020 | <b>1.0%</b>                         | 1.4%                     | 1.2%         | 0.3%         | 0.2%         | 1.5%                           | 0.6%   | 1.0%              | 0.8%   | 1.5%   | 1.3%    |

| Measure  | Reporting Category                   | CY   | Arkansas Works Overall <sup>†</sup> | By Qualified Health Plan |          |       |             | Segments within Arkansas Works |       |                   |       |       |         |
|--|--------------------------------------|------|-------------------------------------|--------------------------|----------|-------|-------------|--------------------------------|-------|-------------------|-------|-------|---------|
|  |                                      |      |                                     | Blue Cross Blue Shield   | Ambetter | QCA   | Qual Choice | By Urban/Rural                 |       | By Race/Ethnicity |       |       |         |
|  |                                      |      |                                     |                          |          |       |             | Urban                          | Rural | White             | Black | Other | Unknown |
| Concurrent Use of Opioids and Benzo-diazepines (COB-AD)                        | Ages 19-64                           | 2019 | 20.9%                               | 21.5%                    | 17.8%    | 16.0% | 20.0%       | 21.6%                          | 20.1% | 23.7%             | 11.1% | 17.7% | 20.8%   |
|  |                                      | 2020 | 18.9%                               | 20.9%                    | 16.3%    | 13.8% | 15.0%       | 19.2%                          | 18.5% | 21.2%             | 11.0% | 18.6% | 18.3%   |
| Follow-Up After Emergency Department Visit for Alcohol and Other Drug (FUA-AD) | Follow-Up Within 30 Days: Ages 19-64 | 2019 | 8.7%                                | 8.6%                     | 11.8%    | 4.3%  | 2.9%        | 8.7%                           | 8.7%  | 9.1%              | 7.2%  | 8.8%  | 8.7%    |
|  |                                      | 2020 | 11.0%                               | 8.5%                     | 16.8%    | 10.3% | 9.1%        | 10.7%                          | 11.5% | 12.5%             | 5.9%  | 9.0%  | 11.3%   |
| Follow-Up After Emergency Department Visit for Mental Illness (FUM-AD)         | Follow-Up Within 30 Days: Ages 19-64 | 2019 | 37.3%                               | 41.7%                    | 35.4%    | 30.1% | 18.6%       | 33.9%                          | 42.2% | 40.3%             | 26.6% | 33.3% | 40.5%   |
|  |                                      | 2020 | 33.0%                               | 32.6%                    | 27.7%    | 27.8% | 33.3%       | 30.9%                          | 35.9% | 35.1%             | 28.2% | 31.0% | 31.2%   |
| Follow-Up After Hospitalization for Mental Illness (FUH-AD)                    | Follow-Up Within 30 Days: Ages 19-64 | 2019 | 37.0%                               | 43.4%                    | 24.6%    | 37.2% | 35.6%       | 37.8%                          | 36.0% | 36.6%             | 32.7% | 37.4% | 41.2%   |
|  |                                      | 2020 | 36.7%                               | 41.6%                    | 39.0%    | 23.5% | 29.7%       | 37.2%                          | 36.1% | 37.2%             | 33.1% | 38.4% | 37.2%   |

| Measure                            | Reporting Category                  | CY   | ARHOME Overall <sup>†</sup> | For Comparison                     |                       | By Qualified Health Plan (QHP) <sup>††</sup> |          |       |             | ARHOME Overall Breakouts <sup>†††</sup> |       |                   |       |       |         |
|------------------------------------|-------------------------------------|------|-----------------------------|------------------------------------|-----------------------|--|----------|-------|-------------|---|-------|-------------------|-------|-------|---------|
|                                    |                                     |      |                             | Mean of Reporting States Medicaid* | AR Medicaid Overall** | Blue Cross Blue Shield                       | Ambetter | QCA   | Qual Choice | By Urban/Rural                          |       | By Race/Ethnicity |       |       |         |
|                                    |                                     |      |                             |                                    |                       |  |          |       |             | Urban                                   | Rural | White             | Black | Other | Unknown |
| <b>TOTAL LIVE BIRTHS</b>           |                                     | 2019 | 4,952                       |                                    | 20,802                | 2,573  | 1,214    | 508   | 508         | 2,824                                   | 2,107 | 2,604             | 1,219 | 479   | 650     |
|                                    |                                     | 2020 | 5,136                       |                                    | 20,908                | 2,198  | 1,094    | 923   | 806         | 2,918                                   | 2,181 | 2,696             | 1,186 | 482   | 772     |
| Low Birth Weight <sup>†</sup>      | Live births weighing < 2,500 grams  | 2019 | 10.2%                       | 9.8% <sup>††</sup>                 | 10.2%                 | 10.2%  | 10.5%    | 9.8%  | 9.3%        | 10.3%                                   | 10.1% | 8.7%              | 14.8% | 8.6%  | 8.8%    |
|                                    |                                     | 2020 | 10.8%                       | Not Released                       | 10.6%                 | 11.1%  | 10.8%    | 11.5% | 9.6%        | 11.3%                                   | 10.0% | 9.7%              | 15.9% | 5.8%  | 9.7%    |
| Very Low Birth Weight <sup>†</sup> | Live births weighing < 1,500 grams  | 2019 | 1.4%                        |                                    | 1.5%                  | 1.2%   | 1.7%     | 1.2%  | 1.2%        | 1.3%                                    | 1.4%  | 1.0%              | 2.4%  | 0.6%  | 1.5%    |
|                                    |                                     | 2020 | 1.6%                        |                                    | 1.3%                  | 1.6%   | 1.8%     | 1.7%  | 1.2%        | 1.8%                                    | 1.3%  | 1.3%              | 2.9%  | 1.0%  | 1.0%    |
| Pre-Term Birth <sup>†</sup>        | Live births 17 - 36 weeks gestation | 2019 | 13.5%                       |                                    | 12.6%                 | 13.3%  | 14.0%    | 14.4% | 12.2%       | 13.3%                                   | 13.7% | 13.6%             | 16.1% | 10.9% | 10.3%   |
|                                    |                                     | 2020 | 12.8%                       |                                    | 12.4%                 | 13.6%  | 14.2%    | 11.8% | 11.2%       | 13.2%                                   | 12.2% | 12.8%             | 15.9% | 9.1%  | 10.6%   |

## LITIGATION

There were no lawsuits involving ARHOME during Q3 2022.

## APPEALS

During the third quarter of 2022, 191 appeals involving ARHOME members were filed with the DHS Office of Appeals and Hearings.

ARHOME members also can use the appeals process established by their QHP to appeal denials of benefits. If they are unsatisfied with the results of the QHP appeals process, they can request additional external review from the Arkansas Insurance Department (AID). The following table shows the number of external reviews AID processed during the third quarter of 2022.

| Month     | External Reviews Processed | Granted | Denied | Dismissed | Pending | Withdrawn |
|-----------|----------------------------|---------|--------|-----------|---------|-----------|
| July      | 0                          | 0       | 0      | 0         | 0       | 0         |
| August    | 2                          | 1       | 1      | 0         | 0       | 0         |
| September | 0                          | 0       | 0      | 0         | 0       | 0         |

## ❖ Evaluation Progress and Activities

In March 2022, DHS hired General Dynamics Information Technology (GDIT) to provide an independent evaluation the ARHOME program, in accordance with Section XIII of the Special Terms and Conditions. GDIT submitted a draft evaluation design to DHS on April 29, and the final draft was submitted to CMS on June 17, 2022. The evaluation will examine four demonstration goals:

1. Providing continuity of coverage for individuals
2. Improving access to providers
3. Improving continuity of care across the continuum of coverage
4. Furthering quality improvement and delivery system reform initiatives that are successful across population groups

The evaluation will use data from eligibility, claims, surveys, interviews, focus groups, commercial insurance, and cost reporting. DHS asked GDIT to develop a consulting committee of Arkansas subject-matter experts with experience with ARHOME, the population and program evaluation to guide GDIT's work and provide real world context and perspective to guide the evaluation calculations. Current committee members are a licensed University of Arkansas Medical Sciences (UAMS) physician with experience in

health services performance measurement, a Ph.D. prepared UAMS faculty with experience in economic evaluation of health services and research experience with Arkansas' healthcare delivery/finance system, and a Ph.D. prepared researcher at Oregon Health and Science University with experience in administration of Arkansas Medicaid expansion program and healthcare performance measurement. GDIT convened the committee in the second quarter to review and provide recommendations on the ARHOME evaluation design.

In the third quarter of 2022, GDIT and DHS received and reviewed CMS' feedback on the draft evaluation design. GDIT reconvened the advisory committee to review this feedback and obtain their recommendations on revisions to the original design. DHS submitted its revised evaluation design on November 4, 2022.

GDIT also finalized the client satisfaction surveys with input from the committee and DHS. The surveys were mailed out starting in the last month of the third quarter 2022. Surveys will be received until enough responses are received, or the last month of quarter four 2022. The client surveys are based on the Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey for Medicaid clients, but GDIT has developed additional ARHOME program questions to measure client's awareness of the QHP incentives to improve health and economic independence outcomes and client's participation in the incentives.