

STATE OF ARKANSAS
EXECUTIVE DEPARTMENT
PROCLAMATION

EO 19-02

TO ALL TO WHOM THESE PRESENTS SHALL COME GREETINGS:

AN EXECUTIVE ORDER TO ESTABLISH A SYSTEMATIC APPROACH TO REVIEWING MEDICAID RATES ON A REGULAR CYCLE

WHEREAS: The Arkansas Health Reform Act of 2015 made a commitment to the people of Arkansas to sustain Medicaid in the long term; and

WHEREAS: The Legislative Health Care Task Force, created by the Arkansas Health Reform Act of 2015, embraced the Governor's goal of reducing spending by \$835 million off the projected spending trends for the period of 2017-2021; and

WHEREAS: The Legislative Health Care Task Force approved a series of reforms, now known as Medicaid Transformation, in the areas of behavioral health, long-term services and supports, services for individuals with developmental disabilities, dental and pharmacy; and


WHEREAS: It is a matter of state importance to ensure that Medicaid reimbursement rates and access are regularly reviewed;

NOW, THEREFORE, I, ASA HUTCHINSON, acting under the authority vested in me as Governor of the State of Arkansas, do hereby order the following:


- (1) The Arkansas Department of Human Services shall establish a systematic approach to reviewing Medicaid rates to providers on a regular cycle.
- (2) The procedures for review shall guarantee that payments to providers under the service categories reported to the federal government will be reviewed no less frequently than every four years.
- (3) The review of rates shall:
 - a) Prioritize programmatically based on impact;
 - b) Consider the availability and access to care in each geographic area of the state;
 - c) Confirm that rates are sustainable while attracting a sufficient number of providers to deliver quality services; and
 - d) Reward efficiency and quality.
- (4) The Arkansas Department of Human Services, in advance of any review, shall report the rates to be reviewed in the quarterly reports to the General Assembly, pursuant to Act 802 of 2017, and work with each type of provider impacted in the design of the review.
- (5) The Arkansas Department of Human Services shall complete the initial reviews of all providers by July 1, 2021 and begin actuarial studies within 60 days of completing a review if necessary.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Arkansas to be affixed the 26th day of March, in the year of our Lord 2019.




Asa Hutchinson, Governor

test:


John Thurston, Secretary Of State