Pathway to Prosperity
Zoom Public Hearing #2 (02/14/25 @ 10:00 AM CST)

Nell Smith: We welcome any panel members who are joining us online. Welcome to the folks who are here for the public hearing in person and also thanks to people who are online participating in the public comment process. I'm going to read an abbreviated notice and then we're going to take public comments, any public comments. We won't be responding to questions; we won't be responding to the comments here in the room today, but we are collecting all of those and we'll include them in a written list of comments that are made and responses from DHS that will be submitted with our proposal to CMS. So, this is a little lengthy, so here we go.

The Arkansas Department of Human Services (DHS), Division of Medical Services (DMS) is providing public notice of its intent to submit to the Centers for Medicare & Medicaid Services (CMS) a written request to amend the Medicaid Arkansas Health and Opportunity for Me (ARHOME) Demonstration Project (Waiver) and to hold public hearings to receive comments on the amendments to the Demonstration.

In accordance with 42 §CFR 431.408, this notice provides a summary of the waiver amendment request and serves to formally open the 30-day public comment period, which will begin February 2, 2025 and conclude on March 3, 2025.

Specifically, DHS seeks public comment on its Pathway to Prosperity amendment request to include the following enhancements to the current ARHOME demonstration:

1) The proposed amendment will provide focused care coordination services from a Success Coaching resource to Medicaid beneficiaries who are not progressing toward improved health goals and economic independence. Pathway to Prosperity applies to all individuals ages 19-64 who are eligible through the new adult expansion group, who have income ranging from 0% FPL to 138% FPL, and who are enrolled in a Qualified Health Plan (QHP).

2) DHS will utilize data matching to the extent possible to identify individuals who may benefit from extra support to reach their health and economic goals. If DHS confirms that an individual is not on track through direct contact with the individual, it will leverage resources through QHPs, state agencies such as Arkansas Workforce Centers, and Arkansas Career and Technical Education, as well as local community partners, to provide focused care coordination services to eligible individuals. Success Coaching will be delivered by entities that have experience of working with individuals who face the challenges of poverty and will include training to provide focused care coordination services. Focused care coordination services include the establishment and monitoring of a Personal Development Plan (PDP).

3) Employment is vital to a person's long-term health as poverty is directly linked to poor health outcomes. If a person is not employed, or is at risk of long-term dependency, he or she must be engaged in qualifying advancement described in the PDP to be considered "on track." Advancement can come from a variety of activities including training, workforce development, apprenticeships, and internships. Learning includes formal education, vocational education, and activities that enhance a person's skills such as mentoring programs or life skills development. Service in one's community may be demonstrated in a variety of ways, including caring for a

dependent child, an elderly parent, or a person with a disability.

4) Individuals who decline to participate in Pathway to Prosperity workforce development for three months will have QHP benefits, and Medicaid eligibility suspended through the remainder of the calendar year.

5) To become "on track" and have QHP benefits restored, they will notify their Success Coaching entity of their intention to cooperate with their PDP. As Pathway to Prosperity does not make compliance with a condition of eligibility, individuals will not be required to complete a new Medicaid
application unless they have passed their date for their annual redetermination of eligibility.

6) During the suspension period, DHS will not make monthly premium payments nor related payments to the QHP on behalf of the individual.

7) DHS assumes 50% of individuals assigned to Success Coaching will cooperate with DHS and be "on track" with no change in their QHP benefits; 25% of individuals will be "early movers" off Medicaid due to change in household income and move to other coverage; and 25% will fail to cooperate and have benefits suspended. However, DHS assumes 50% of those who were suspended will subsequently inform DHS of their willingness to cooperate and thereby have benefits restored.

The Pathway to Prosperity amendment has an anticipated start date of January 1, 2026.

The proposed amendment request and full public notice is available for public review on the DHS website at https://humanservices.arkansas.gov/rules/arhome/. In addition, the draft documents are also available for hard copy review at the Department of Human Services (DHS) Office of Rules Promulgation, 2nd floor Donaghey Plaza South Building, 7th and Main Streets, P.O. Box 1437, Slot S295, Little Rock, Arkansas 72203-1437.

During the public comment period, the public is invited to provide written comments to DHS via US postal service or electronic mail, as well as making comments verbally during the three public hearings. DHS has already held; this is the second of the three public hearings that DHS will hold. The third will be February 19, 2025, at 10 a.m. Virtual participation via zoom and you can dial in at 312.626.6799 and with a meeting ID of 817.904.77.440. No passcode will be required.

Interested parties should submit all comments to DHS on the proposed amendment on or before March 3, 2025. Comments can be submitted via email to ORP@dhs.arkansas.gov or by mail to Department of Human Services (DHS) Office of Policy & Rules, 2nd Floor Donaghey Plaza South Building, 7th and Main Streets, P. O. Box 1437, Slot S295, Little Rock, Arkansas 72203-1437. Please note that public comments submitted in response to this notice are considered public documents. A public comment, including the commenter's name and any personal information contained within the public comment, will be made publicly available.

The Arkansas Department of Human Services is in compliance with Titles VI and VII of the Civil Rights Act and is operated and managed and delivers services without regard to religion, disability, political affiliation, veteran status, age, race, color, or national origin. If you need a copy of the draft amendment or public notice documents in a different format, such as large print or in hard copy,

contact the Office of Policy & Rules at 501-320-6428.

Now we will open it up for public comment. If anyone in the room wants to make a comment, just raise your hand. I think we have a microphone we'll bring it to you, or people can come up here.

Hold on.

Cammile Richoux: Sure, I have my notes. Can you hear me, okay? All right.

Good morning, my name is Camille Richoux and I'm the Health Policy Director at Arkansas Advocated for Children and Families. Thank you for the opportunity to provide comments regarding the proposed Pathway to Prosperity 1115 proposal. So, Arkansas advocated for Children and Families is very proud of the progress we've made in our state ensure every Arkansan has access to health coverage because of the great success of the ARHome Program.

Today, most adults in Arkansas have coverage and improved access to important preventative care. While the proposal claims it has incorporated lessons from previous efforts, its core premise remains deeply flawed. It creates punitive eligibility requirements that threatens the health and well-being of thousands of Arkansans. So, the waiver proposal equates long-term Medicaid enrollment with poor health outcomes citing poverty as a risk factor. However, this logic is fundamental flawed, lack of insurance, not Medicaid coverage is a well-documented risk factor for poor health. While the proposal claims that compliance is not a condition of eligibility, suspension of coverage is functionally the same termination. Suspended beneficiaries lose access to necessary health care services, creating significant disruption to their health and financial stability. Any policy that results in barring access to Medicaid services for noncompliance effectively creates a new eligibility requirement. This undermines the core objectives of the Medicaid program, which is to provide access to health care for low-income individuals and families. Since 19 and 20 years old are not exempt we have significant concerns about their ability to receive wraparound benefits through EPSCT. There're also no explicit exemptions for pregnant or postpartum women that insured through out home.

The success coaching requirement functions as the monthly reporting requirements that cause so many individuals to lose coverage in 2018. This requirement poses an even greater potential burden by forcing beneficiaries to adapt their lives around scheduling and meetings. The success coaching component introduces vague compliance criteria that go far beyond the first work requirement. These criteria, namely hours worked, education status, and income level, should be defined in the proposal in order to reduce the chance of bias and inconsistency. The proposal claims that this approach will be individualized but is ultimately a non-transparent subjective algorithm that decides whether someone is on track and continues to receive health care benefits.

The state previously attempted implementing an algorithmic. It's a tough one decision-making system to decide how much home-based healthcare patients need. Following this change, patients saw their hours of care cut dramatically. Arkansans suffer during this; people who were bedridden were left without basic hygiene. I don't want to see the same subjective system apply to people around the state. Most importantly, studies showed that the majority of Medicaid enrollees who can work can either be employed or serve as caregivers.
Work required fails to account for the realities of many low-wages job such as variable schedules, the health of the overall job market, lack of paid leave, and caregiving responsibilities. In rural parts

of our state, Arkansas may struggle to find any work and the job that they can take may not be on track per this proposal's guidelines. So, the state is committed to addressing poverty through increasing resources, education, and workforce development to low-income Arkansans. We can do that without jeopardizing their access to healthcare. We can add resources to address health related social needs, not take them away. This proposal is just not the way to address health or poverty in our state. So, thank you so much for the time and consideration of our comments.

Nell Smith: I think we have, would you like to come up, sir?

Neil Sealy: Good morning, my name is Neil Sealy, and I work, I'm a community organizer with Arkansas Community Organizations. And we are in opposition to the proposed waiver being sent to CMS. We think people's health must come first. I want to tell a story.

I was a navigator during the first enrollment period for the Medicaid expansion and it was a great service to people because for the first time, most of the people were working or they had serious conditions that kept them from working and it was to me so moving to see so many people relieved that they could finally get their health taken care of. I recall on incident there was a woman who came in and I worked with another person in helping to enroll this person into the Medicaid expansion. She had scar tissue on her thyroid and growths that she was able to work not much but some hours a week. But eventually she had so much pain she could not work. So, when she found that she was eligible and enrolled she broke down in tears and we all broke down in tears of joy and healthcare had come first.

We don't, yes, if DHS wants to help find other opportunities, that's great but it's wrong suspending their health care is taking away their health care and their ability to function normally. Most of my life, I went without health insurance. I do have hypertension, I never even knew that, until I finally got insurance from my job, and I take medication every day. Who knows? What would have happened? I kept walking around here without hypertension. I also lost that coverage when my job ended and went to, thank God, marketplace was there. And I was able to get it but it got more expensive. So, I know what it's like to be like not to have health care.

Everybody should have that. And that's the great thing about the Medicaid expansion. Is that it gave coverage to thousands and thousands of people who didn't have it. Many were working, many had serious conditions, it gave them an opportunity. So, the only thing that should count is just the income limits. And that's it. I think . . .if DHS has bandwidth. To, and I don't believe it does, to help people find other opportunities that's great. You also have to understand that just because someone has a full-time job and the employer has insurance, that insurance may not cover much. So, I think the good thing about the expansion is people are able to get decent coverage and people like the woman that I was speaking about her family, she was finally able to get the surgery that she wanted. So, we should never, if someone is eligible, never take away their health care. Thank you.

Joyce Means: Good morning, Joyce Means and member of Arkansas Community Organization and thanks for having us here today in the house. And just so thankful to have Medicaid, I myself, without Medicaid, it just the money doesn't match the health care. I wouldn't be able to afford it. I'm diabetic, type 2 diabetic. Just would be unaffordable and as we check the record here back in between 2018 to 2019 when the work requirement was first implemented. It was proven, it did

work, and it got thrown out of the court. And during that period from 2018 to 2019 over 18,000 people went without health coverage.

And Medicaid. Here's the problem. We oppose. Because everyone that receiving Medicaid, you have some people in the category they're disabled but don't disaquire. Doesn't qualify, excuse me, for disability. But they're still sick. They're still not able and it's just because of the credits when it comes to that. In a lot of cases the difference between being disabled by "Social Security". As far as disability is the fact that, you know, I don't have enough credit. So those people are, but you still have some people I'm sticking to the point of Medicaid. Who are disabled, but they don't qualify that they need medical help you know this is a real serious issue. And taking into consideration from the previous time it was implemented it was a failure. And I don't see how, as we say, and some others don't see the clear. It's not clear. We need a clear transparent way. So why don't, there's plenty more that can be done. We oppose it, so that's annoying. There is a better way. And hopefully this is something in the future that we all can get together and come up with a better way to address the health care issue. Otherwise, it would be injustice. And that's all I have and I'm hoping that you hear.

Nell Smith: Do we have, okay.

Trevor Hawkins: My name is Trevor Hawkins. I'm a private attorney practicing in the state of Arkansas and the views I'm sharing today are my own. Not affiliated with any other association. But my past work involved directly serving low-income Arkansans. And my comments today are informed by what I learned specifically during the time period that the last work requirements program was implemented.

I don't believe that work requirements as part of Medicaid help low-income Arkansans in any way. The purpose of the Medicaid program is to provide health coverage to low-income individuals and families. The overwhelming majority of which are working and doing the best they can in this state. Whether they're in the Delta, here in Little Rock, other parts of the state, I met with folks everywhere. And I'm telling you firsthand, being the person that was out in the streets. They're doing the best that they can, no matter what their given situation is, and I don't believe that most of them need a program like this to be incentivized to work. Much less with the fact that it's not part of Medicaid or the purpose of Medicaid.

So, during the last work requirement program, I worked directly with low-income Arkansans to assist them with any public benefits issued that they might have. The sheer number of procedural issues came up not only burden the beneficiaries themselves but it also burdened the state Medicaid agency, DHS. Neither could the individual figure out what to do, nor could DHS, whether the local office or higher ups, be able to keep up with the burden of procedural issues.

There's a lot of talk about the 18,000 people that lost coverage directly because of the last work requirement program, but just as many more, it wasn't being tracked at the time, but just as many more just got caught up the procedural issue that was generated due to data matching that's being sold as new product in this new proposal. But the truth is that was something that was part of it all along. And caused an insane amount problem for people. Spent the majority of my time, spent the majority of my time spent majority of my time in 2018 and 2019, just trying to help people navigate that. I don't believe you know this waiver as it's written says that it learned from the 2018 model,

but the truth is it's really the same thing. It's just a wolf in sheep's clothing. The there's some points that I have to make or some questions that I have about key parts of it. But writ large, I don't believe that this waiver should be submitted to CMS, nor do I believe legally CMS could approve it.

But the data matching, and I hope that the agency will respond to these directly in written form. What system will be used to do this quote unquote data matching? Will private vendors be used? What is the difference from this data matching the plan for data matching the one that was used during the unwinding period? Is this a new system? Is this new system that 's being created or used, if so, how much is that going to cost? How is the date matching going to be used to determine who the quote unquote is on track and what is the criteria for being on track?

With respect to success coaches. With 220,000 beneficiaries on the program. How does the state agency plan to adequately meet the needs of these people through success coaches? I think so of the comments reported that 40,000 or 40% of the people on this program might not be doing what they're supposed to or should be working or not working enough and that's 80 to 90,000 people. So, what's the target ratio of success coaches to beneficiaries? Where will the success coaches be located in relation to their assigned beneficiaries? How will beneficiaries be able to reach their assigned success coach? Will beneficiaries be able to reach them directly or will they have navigated the current phone system that has a long time waiting and does not connect you with someone who is in your local office? What training will success coaches get to fulfill the obligations of this role? What criteria will they follow to develop a plan for their assigned beneficiaries?

Me personally, I worry that this model is not even remotely tenable unless significant investment is made by the agency to staff it. Otherwise, it's just going to be a nightmare for beneficiaries to navigate just like 2018.

Let's see. Outreach was sort of a very common problem that I saw as I was meeting folks where they're at was that they had no idea that his program or the previous applied to them. They thought that, you know, they're working, they're doing what they're supposed to, why do they have to get online every month and report or why are getting a notice in the mail that asks them to verify their income its hasn't changed. Et cetera, et cetera.

A big problem was people were not told what was going on until I finally found them and met them where they were at. Whether it was a bus stop, library etc., so what is the state plan to if this program was approved ensure that the vast majority of beneficiaries understand how the Medicaid program ARHome is changing? How this might apply to them and what the expectation will be for them to comply with it?

And I want to close on you know it's represented that his program is different than the 2018 one in that people are not being fully terminated from Medicaid. But that doesn't paint the whole picture. The pausing of coverage or the change from QHP, a qualified health plan, to traditional fee for service does cause harm or disruptions in an individual's healthcare access. This happened a lot in 2018, this was the same thing people were being flagged as medically frail who were not. They would get put on a fee for service they would lose access to the providers. Those providers did not take fee for service. They would have a procedure that would be canceled because they're completely changing the criteria, the things that have to be done before that procedure could go through. They would lose access to medications. They would have to pay out of pocket. You know,

just a whole litany of issue disruptions, and that particularly affects the people who need this coverage the most. So, you know, in some the last period of time, the last period of time that this was implemented in the state I had a terrible time trying to help people navigate it. I think the people in this agency had a terrible time trying to administer it as well, even though they can't say that, it burdens not only the beneficiaries, but the point being also, it burdens not only the beneficiaries, but it also burdens the state agency. I don't believe either side has the bandwidth to do that. And so, I think this waiver should not be submitted to CMS. Thank you.

Nell Smith: I think we've exhausted everyone in the room who wants to speak. Do we have any, if you, if you're online and you'd like to make a public comment, please raise your hand. You're virtual hand. And you can also enter any comments you want in the chat, prefer to do that.

Or you can ask to unmute, just unmute, right? Or do you have to ask?

Oh, I see. If you say in the chat that you want to make a comment, we'll unmute you. So, that you can make that comment and also while we're talking about the chat. We've put in the chat the instructions for how to make a comment outside of this public hearing.

We're not seeing any raised hands, any chat requests. With that then, we'll close the public hearing. But you still have plenty of time to submit comments through other avenues.

Thank you all for coming. Thank you for attending online. Thank you to Our Home Advisory Panel members who are in attendance. Thank you.