HINDSIGHT IN 2020: A HEALTH POLICY UPDATE

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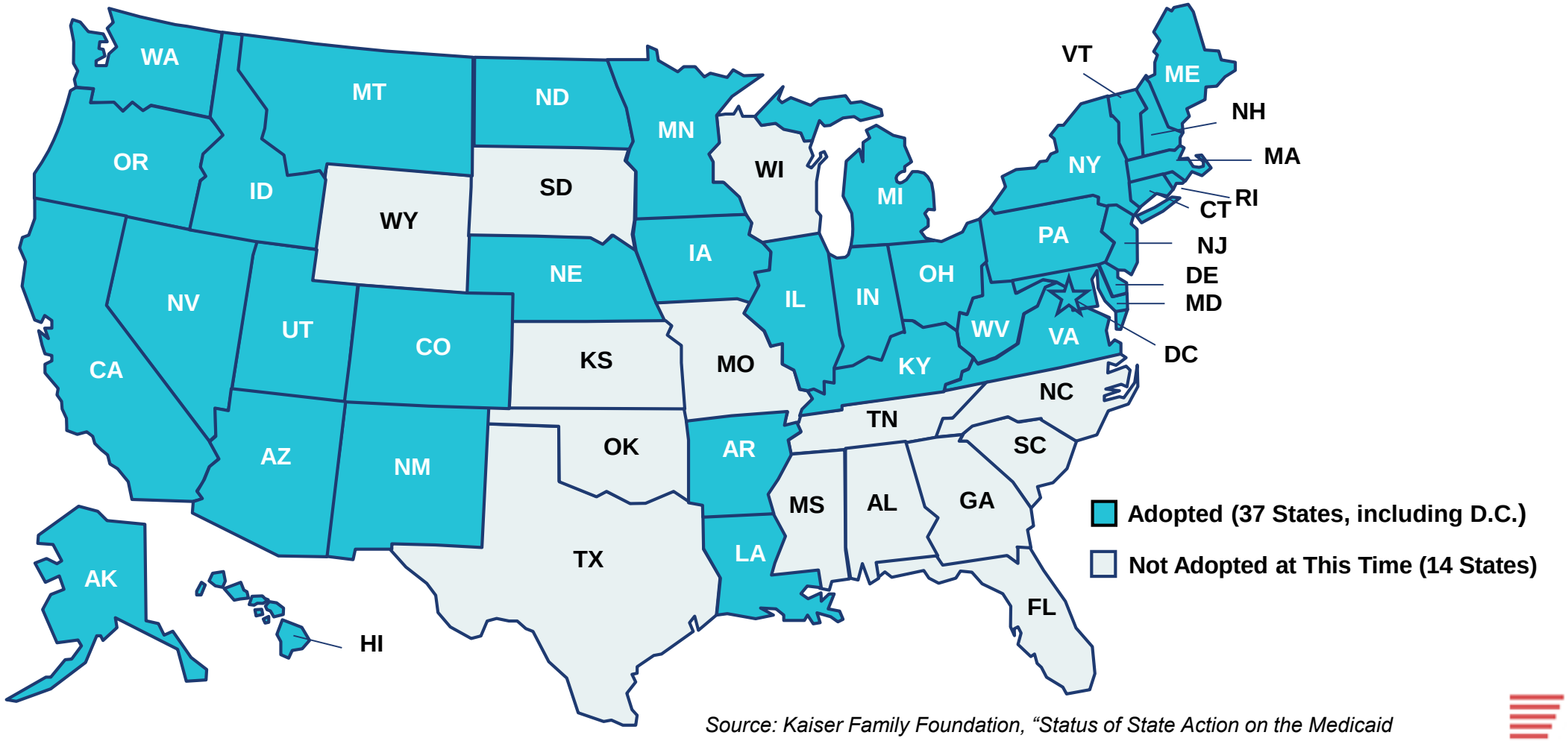
ACHI
INSPIRING HEALTHY ACTS

DISCLOSURES

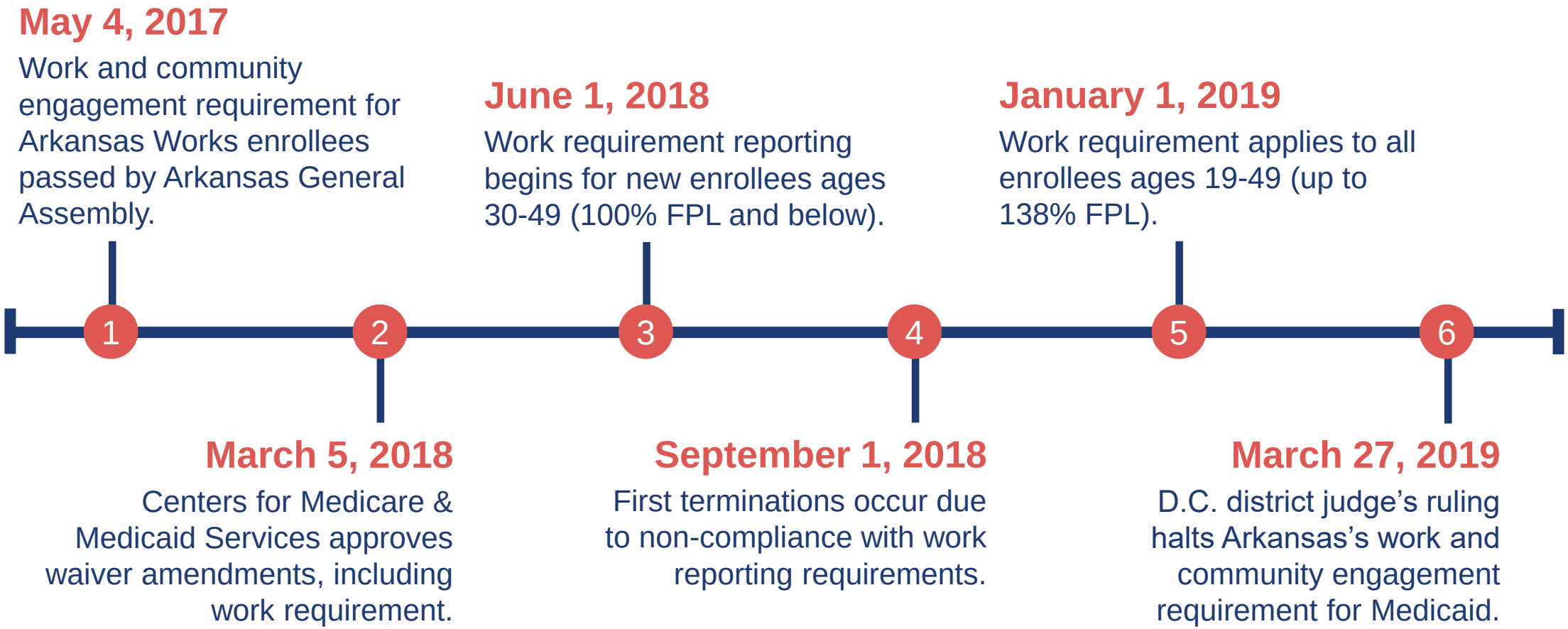
- No Financial Disclosures

STATUS OF STATE MEDICAID EXPANSION DECISIONS

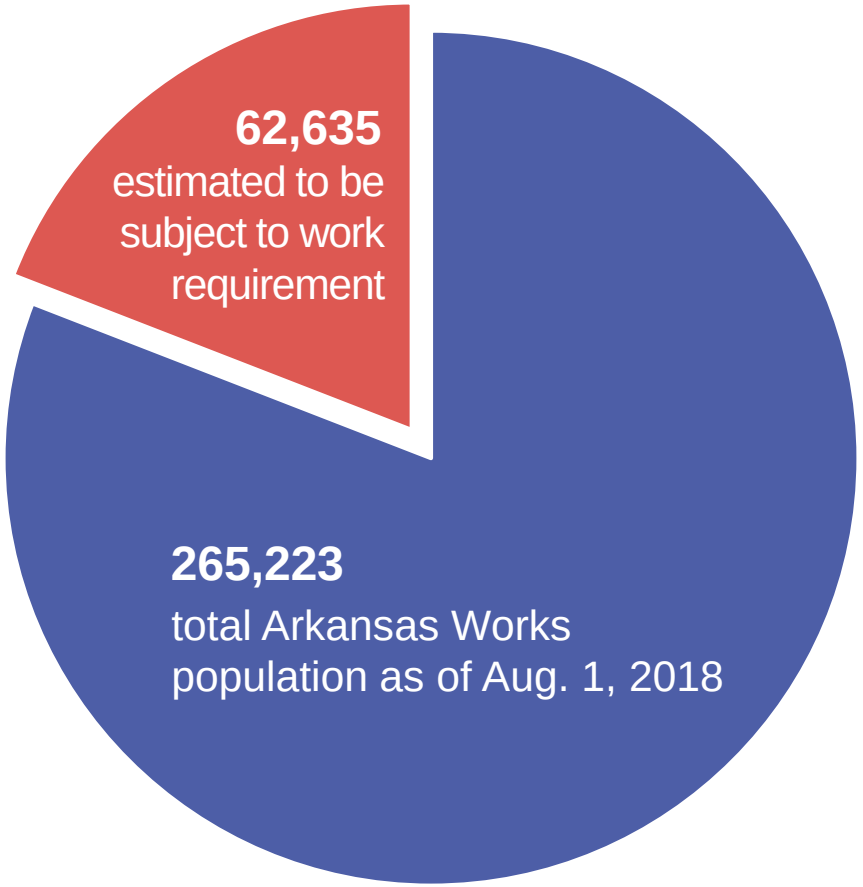


Source: Kaiser Family Foundation, "Status of State Action on the Medicaid Expansion Decision." ***Updated January 2020****.*

WORK REQUIREMENT TIMELINE: KEY DATES



ARKANSAS WORKS PROGRAM — AUGUST 2018



- Enrollees ages 30-49 were phased into the requirement
- Between July 8 and Sept. 9 2,623 fewer people became subject to the requirement
- That left 60,012 subject to the requirement in August

Source: Arkansas Works Program, August 2018 Report, Arkansas Department of Human Services.

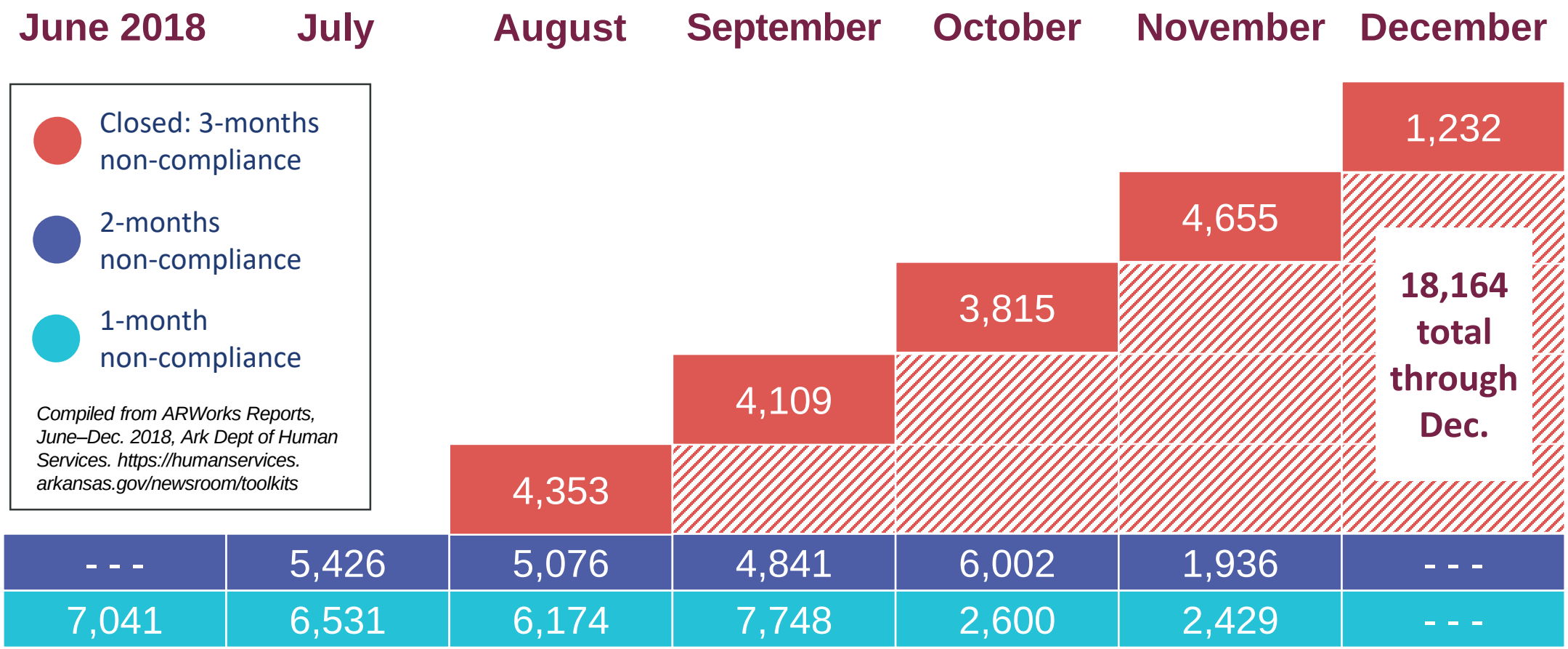
OUTREACH EFFORTS, APRIL–DECEMBER 2018

Includes DHS, AFMC, insurance carriers, DWS

- Phone calls: 230,307
- Letters: 592,102
- Emails: 311,934
- Text Messages: 38,766
- Social Media Posts: 918

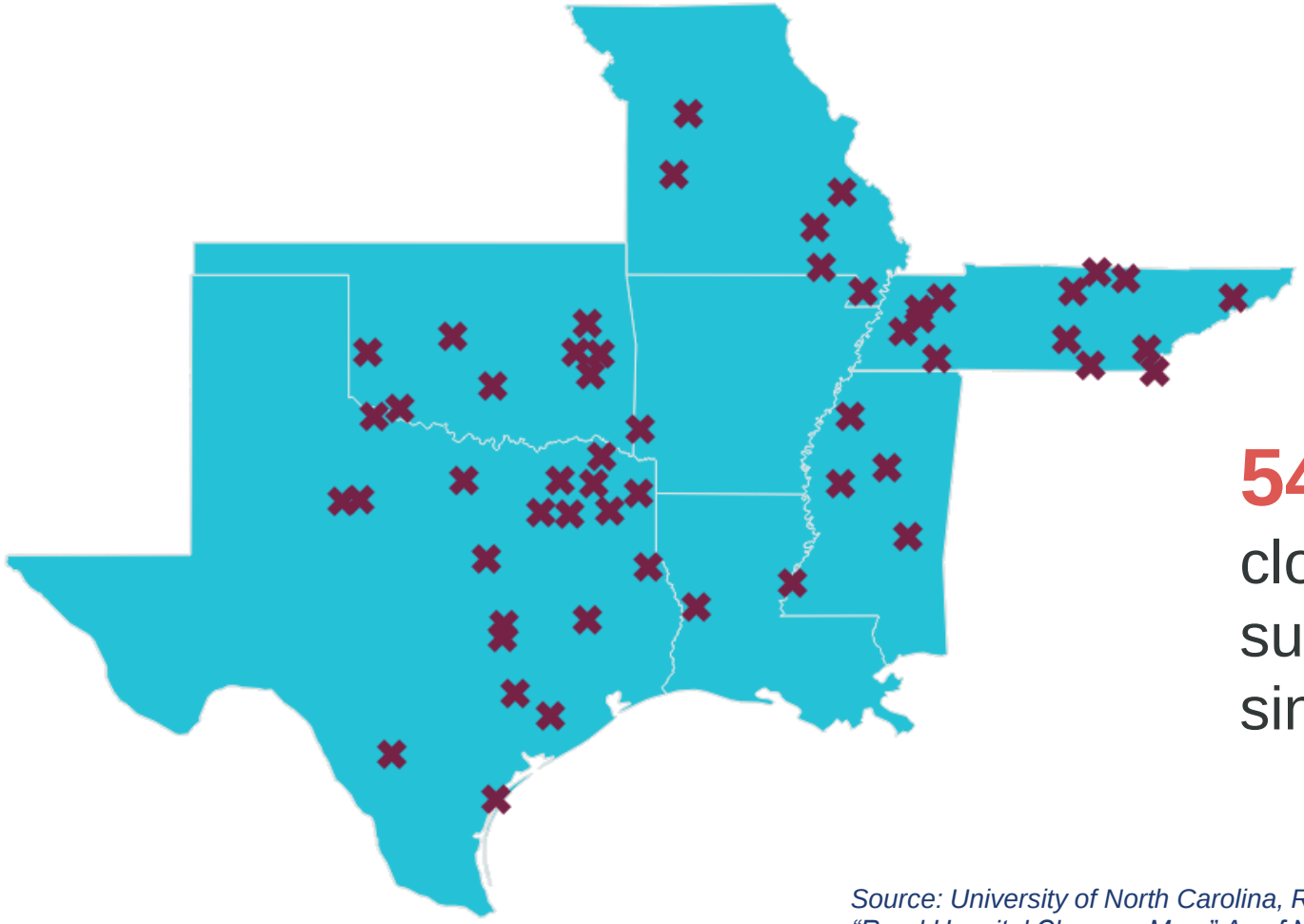
Source: Arkansas Works Program, December 2018 Report, Arkansas Department of Human Services.

ENROLLEES NOT MEETING WORK REQUIREMENT IN 2018 (PER REPORTING PERIOD)



RURAL HEALTH INSIGHTS

RURAL HOSPITAL CLOSURES SINCE JULY 2012



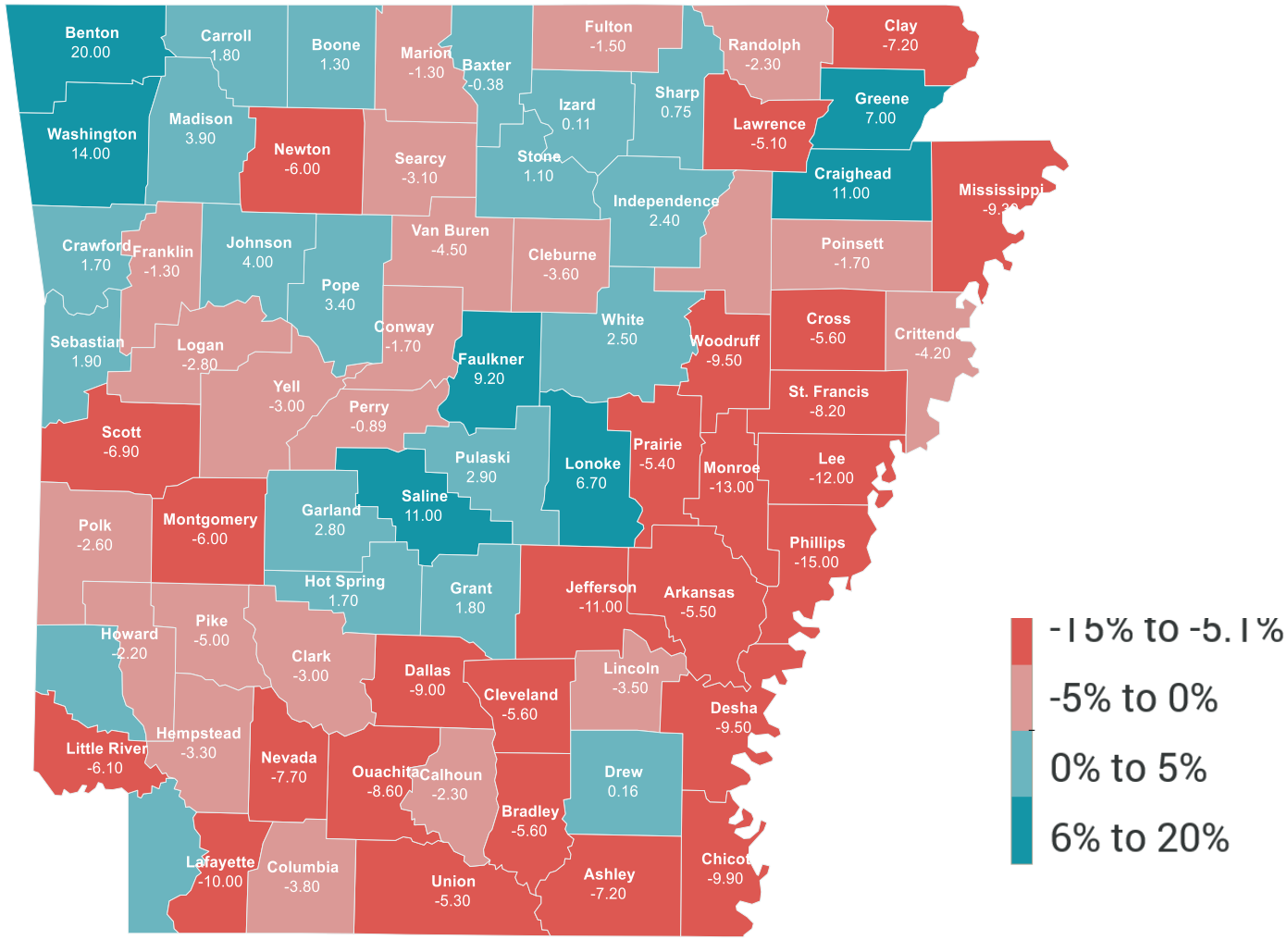
54 rural hospital closures in surrounding states since July 2012

Source: University of North Carolina, Rural Health Research Program. "Rural Hospital Closures Map." As of November 2019.

RURAL HOSPITAL CHALLENGES

- Aging facilities
- Changing staffing models
- Payment and service delivery models
  - Reward clinicians for helping patients reduce hospital visits
- Out-migration
  - Younger, healthier populations leaving rural areas
- Workforce shortages
- Reliance on reimbursement from public payers
- Business decisions by corporate owners and operators

RURAL POPULATION DECLINING IN ARKANSAS



STATE POLICY OPTIONS

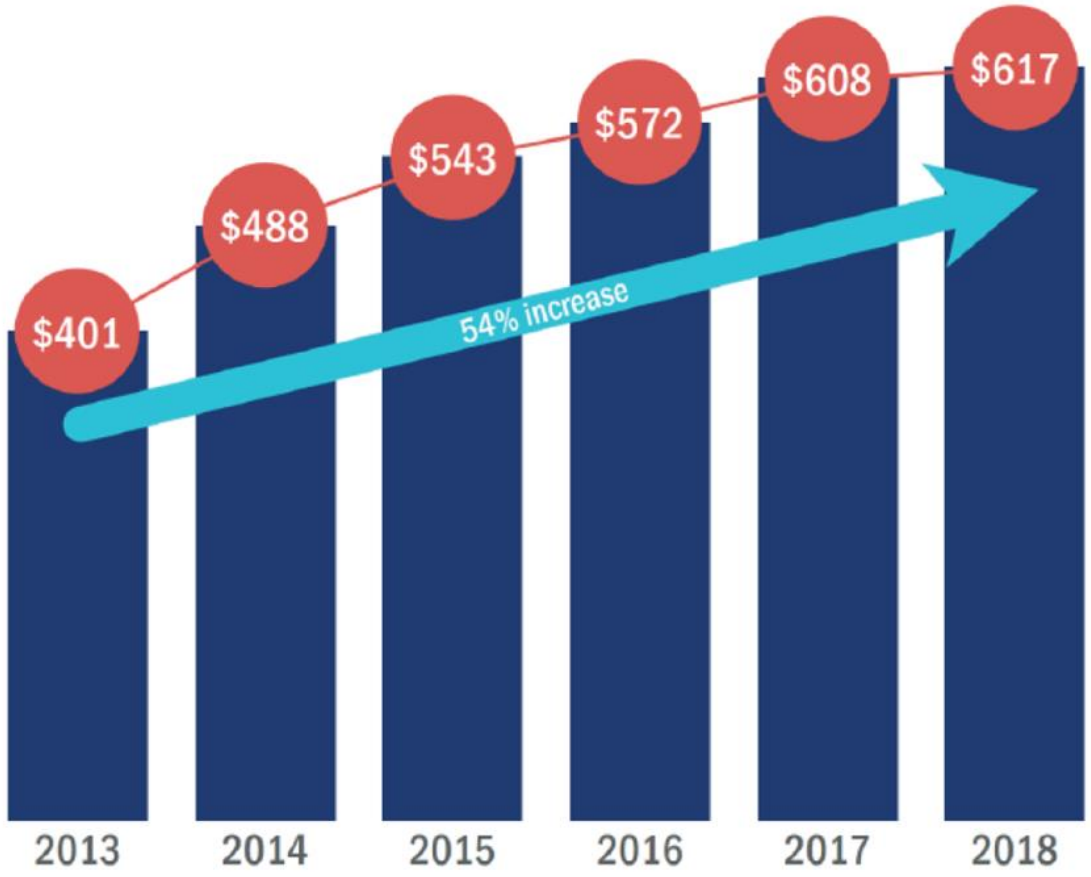
- Global payment strategies to transition from fee-for-service payment model
- Hospital licensure designation flexibility
- Creation of healthcare districts as taxing and governance entity for communities that may not be able to sustain services independently
- Hospital exemptions from sales tax for medical equipment, technology purchases

STATE POLICY OPTIONS

- Stabilization funds to offer loans at below-market interest rates and favorable terms to hospitals
- Enhanced support of graduate medical education and opportunities for resident placement in rural communities
- Assistance with start-up costs to provide access to telehealth services and increased coverage of and payment for telehealth
- State-led regionalization efforts
  - Ensure adequate patient transportation between institutions regionally
  - Avoid antitrust concerns

TRANSPARENCY

CHANGE IN AVERAGE COST PER INSULIN PRESCRIPTION IN ARKANSAS: PRIVATE INSURANCE



Note: The average days' supply per prescription is 34.3 days

Source: Arkansas APCD

UTILIZATION AND PRICING OF AIR AMBULANCE BY HELICOPTER IN ARKANSAS

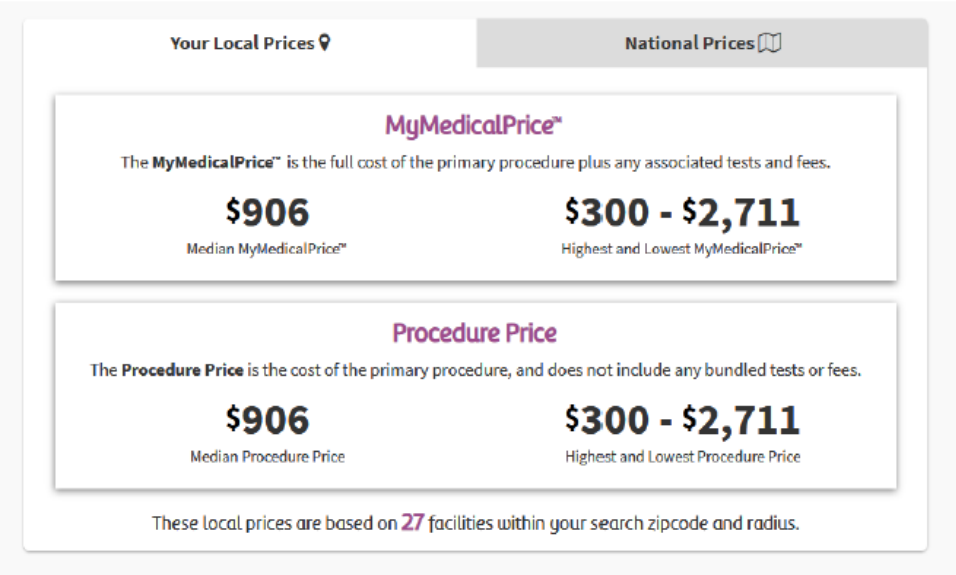
AIR TRANSPORTS AND CLAIMS BY PAYER, 2016

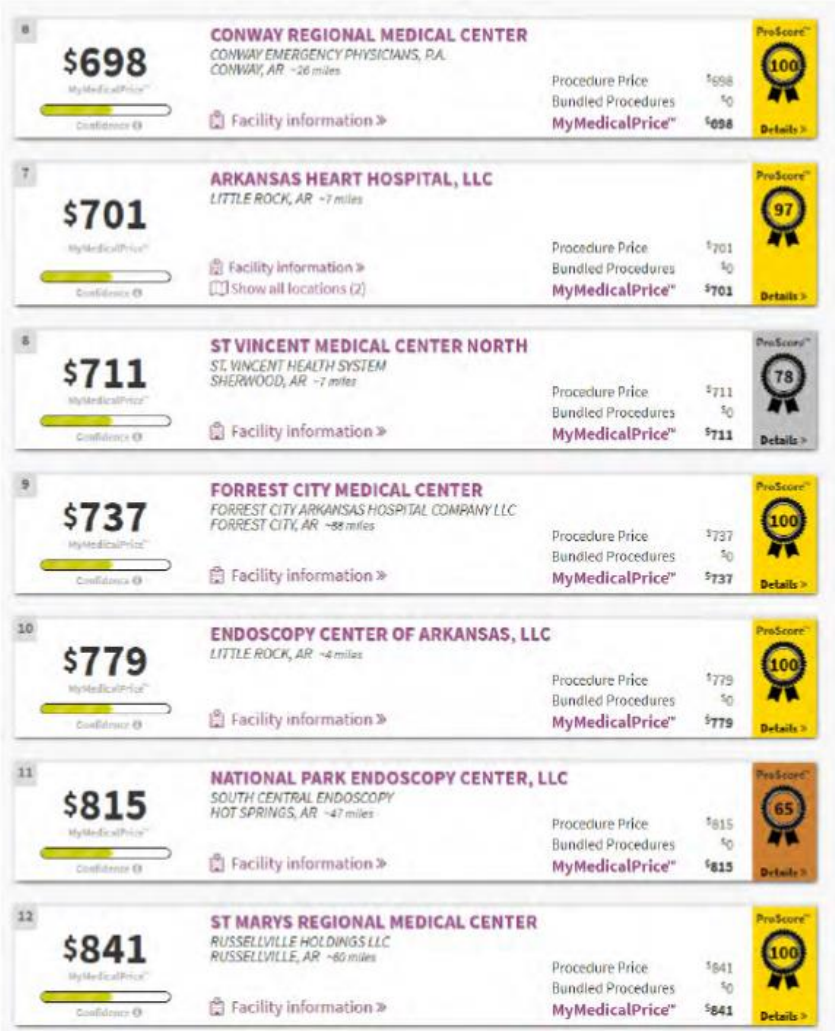
Payers with more than 50 air transports	Number of air transports	Total paid amount	Average charged amount	Average allowed amount	Average paid amount	Balance bill potential
Medicaid	1,244	$2,312,990.34	$36,883.22	$1,924.29	$1,859.32	$34,958.93
USAble Mutual Insurance Company	611	$2,987,922.22	$14,923.62	$5,471.07	$4,890.22	$9,452.55
UnitedHealthcare Medicare & Retirement	206	$1,196,686.29	$34,746.29	$6,505.03	$5,809.16	$28,241.25
Employee Benefits Division	142	$2,538,069.66	$37,494.55	$22,577.18	$17,873.73	$14,917.37
Celtic Insurance	87	$775,473.27	$37,072.51	$9,156.12	$8,913.49	$27,916.39
QualChoice Health Plan – Third Party Administrator	66	$120,967.16	$36,499.32	$1,894.32	$1,832.84	$34,605.00
QCA Health Plan, Inc.	60	$260,135.80	$35,973.10	$4,346.98	$4,335.60	$31,626.12
Totals	**2,416**	**$10,192,244.74**				

This table uses Arkansas All-Payer Claims Database (APCD) data from 2016.

MY MEDICAL SHOPPER

Procedure: Colonoscopy (removal of tumor, polyp, or other by snare tech)





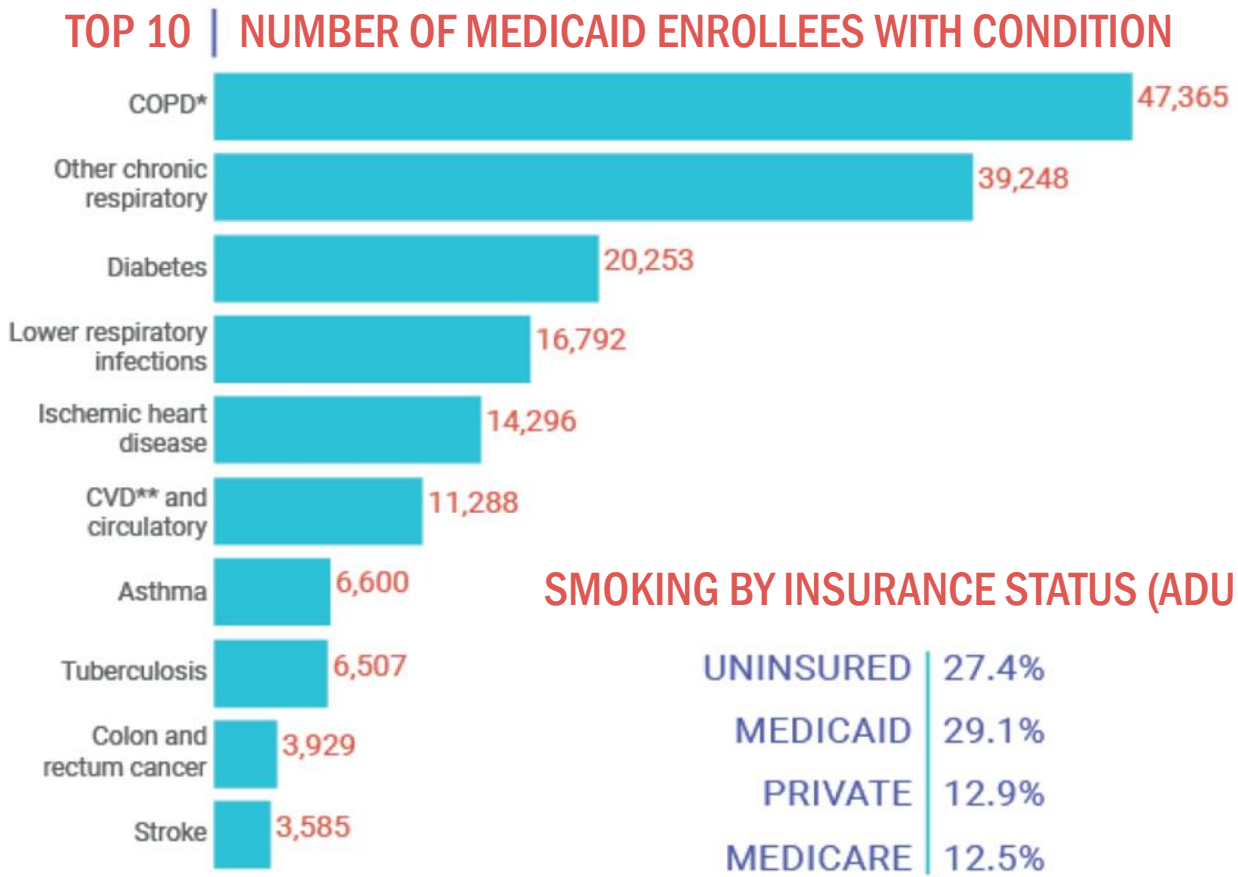
Source: mymedicalshopper.com

SMOKING-ATTRIBUTABLE SPENDING

Medicaid
$795 Million

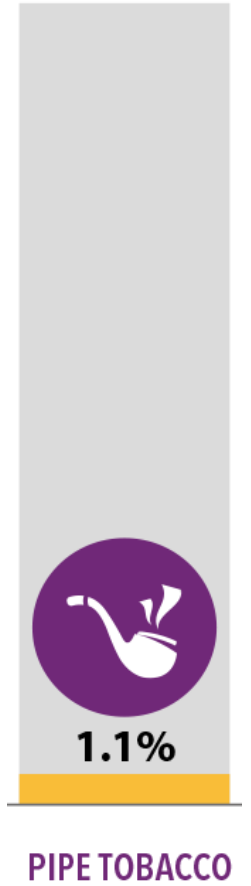
Private
$542 Million

Using APCD data, ACHI estimated smoking-attributable costs to Medicaid and private insurance for individuals age 30-65.



VAPING

YOUTH TOBACCO USE IS RISING



Source: Tobacco Product Use Among Middle and High School Students — United States, 2011-2018. Morbidity and Mortality Weekly Report (MMWR), February 2019.

HIGH SCHOOL E-CIGARETTE USERS ARE USING THEM MORE OFTEN

Source: Tobacco Product Use Among Middle and High School Students — United States, 2011-2018. Morbidity and Mortality Weekly Report (MMWR), February 2019.

FEDERAL ACTION ON E-CIGARETTES

- Congress sets minimum age to buy, use, and possess tobacco, vapor, alternative nicotine, and e-liquid products at 21
- The FDA is prioritizing enforcement against:
  - Any flavored, cartridge-based ENDS product (other than tobacco- or menthol-flavored products);
  - All other ENDS products for which the manufacturer has failed to take (or is failing to take) adequate measures to prevent minors' access; and
  - Any ENDS product targeted to minors or likely to promote use by minors

STATE POLICY OPTIONS FOR ADDRESSING YOUTH E-CIGARETTE USE

- **Preemption:** Amend Arkansas law that preempts local governments from enacting and enforcing certain e-cigarette regulations

- **Excise Tax:** Levy an excise tax on e-cigarettes that is no less than the tax on tobacco products and is based on nicotine amounts

- **Clean Indoor Air Law:** Extend the Arkansas Clean Indoor Act to e-cigarettes

STATE POLICY OPTIONS FOR ADDRESSING YOUTH E-CIGARETTE USE

- **Flavor Ban:** Ban all flavored vaping liquids, including those used in tank-based delivery devices
- **Age Restriction Enforcement:** Increase enforcement efforts to ensure retailers are complying with the new purchasing age restrictions
- **Advertising:** Prohibit e-cigarette advertising that targets youth

QUESTIONS?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