



Medicaid in Arkansas

Health Insurance for over 415,000 Arkansans

Arkansas Medicaid FAST Facts:

- Medicaid pays medical costs for 42% of all babies born to Arkansas residents.
- 76% of all Arkansas Nursing Home residents were Medicaid eligible in SFY97.
- Children and adults in low-income families make up almost 75% of the beneficiaries in Arkansas but account for about 27% of the spending.
- Approximately 60% of Medicaid spending is accounted for by treating the elderly and the disabled.
- 90% of Arkansas Medicaid recipients stay on the program no longer than 18 months. 81% stay on no longer than 12 months.
- Average cost per recipient SFY98 = \$3,508
- 32% percent of Arkansas' children were served by Medicaid in SFY98.

Medicaid is America's public financing program for providing health and long-term care coverage to low-income and disabled people. The program covers over 40 million nationwide and over 415,000 in Arkansas.

The Arkansas Medicaid population by age for SFY98 was:

- ◆ 229,874 Kids (under 19)
- ◆ 120,765 Adults (20-64)
- ◆ 64,966 Elderly (65+)

The program is a means-tested entitlement financed by state and federal funds. Federal matching payments supplement

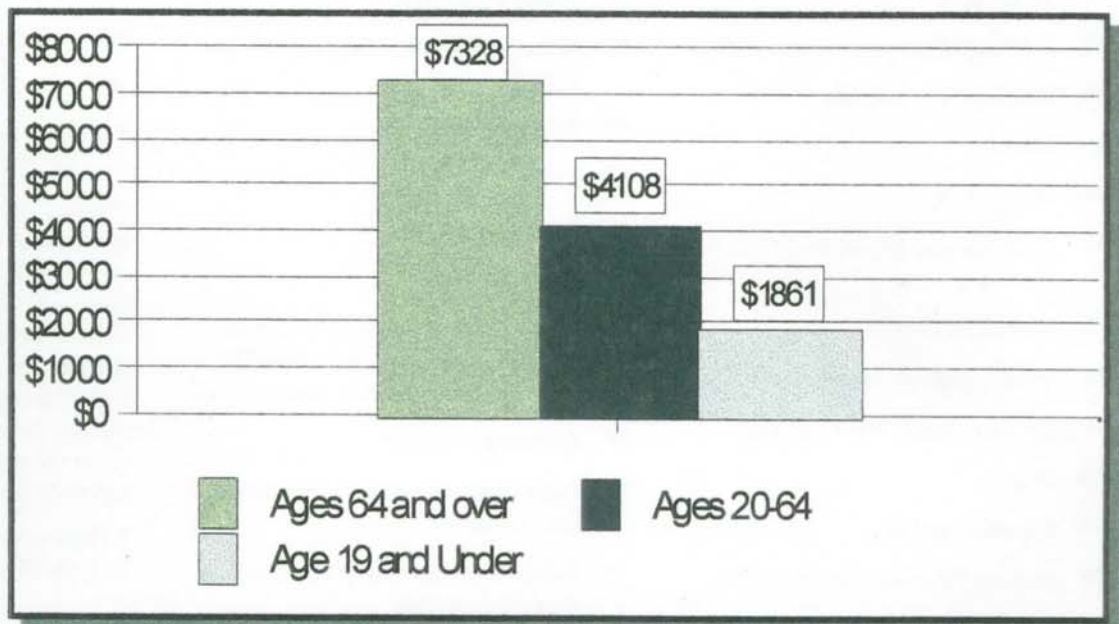
state revenues for program-related costs at a rate of 73% to 27%. Administrative costs for the program are generally divided 50%-50% between state and federal funds. Arkansas' program is administered by the Medical Services Division of the Department of Human Services.

Poverty does not automatically make a person eligible for Medicaid. People covered under the program must fall into certain categories to qualify for benefits, and the benefits package are not all the same. For example blind and disabled persons, pregnant women, low-

income children, working families and elderly are all Medicaid categories that can have different benefits.

Arkansas' Medicaid program has led the nation in innovation and efficiency. ARKids First, a Medicaid expansion program, has brought national recognition to the state as it has enrolled over 37,000 children in families with incomes below 200% of the federal poverty line since it began in September of 1997. The ConnectCare managed care program has also been recognized nationally as a model for quality service delivery, participant satisfaction, and controlling costs.

Average Vendor Payment Per Recipient By Age SFY 98



Medicaid Services

The Federal government mandates certain Medicaid services and allows states the option to cover other services as they deem necessary based on the health needs of the beneficiaries in each state.

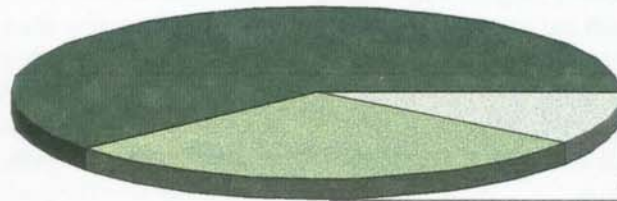
Federal services that all states must offer include:

- ☞ Inpatient and outpatient hospital
- ☞ Lab and X-ray
- ☞ Physician, midwife, and certified nurse practitioner
- ☞ Nursing home and home health care
- ☞ Early and periodic screening, diagnosis, and treatment (EPSDT) for children under age 21
- ☞ Family planning
- ☞ Rural health clinics/ federally qualified health centers .

Arkansas Medicaid Benefit Expenditures SFY98

Hospital/Medical

\$ 8 9 6 , 9 0 2 , 2 0 4
6 1 . 5 %



Drugs

1 4 4 , 6 0 1 , 5 8 2
9 . 9 %

Long Term Care

\$ 4 1 6 , 9 5 7 , 9 5 6
2 8 . 6 %

Optional Medicaid Services in Arkansas

Arkansas' Medicaid program has chosen to add a wide range of optional services to its recipients. These services, like the mandatory ones, are funded with the Federal matching dollars at the 3:1 federal to state ratio. These services include:

- ☞ Ambulatory surgical center
- ☞ Audiology *
- ☞ Certified Registered Nurse Anesthetist
- ☞ Child Health Management Services*
- ☞ Dental*
- ☞ Chiropractor
- ☞ Developmental Day treatment Clinic Services
- ☞ Domiciliary Care
- ☞ Durable Medical Equipment
- ☞ End Stage Renal Disease Services
- ☞ Hospice
- ☞ Hyperalimentation
- ☞ Inpatient Psychiatric (under age 21)
- ☞ Inpatient Rehabilitative Hospital
- ☞ Intermediate Care Facility for Mentally Retarded
- ☞ Medical Supplies
- ☞ Nursing Facility (under age 21)
- ☞ Occupational and Physical Therapy, and Speech Pathology *
- ☞ Orthotic Appliances and Prosthetic Devices *
- ☞ Personal Care
- ☞ Podiatry
- ☞ Portable X-ray services
- ☞ Prescription drugs
- ☞ Private duty nursing (for ventilator dependent, all ages, and high technology non-ventilator dependent, under age 21)*
- ☞ Psychology services*
- ☞ Rehabilitative services for persons with mental illness
- ☞ Rehabilitative Services for persons with physical disabilities

- ☞ Respiratory Care*
- ☞ Targeted Case Management (for pregnant women, recipients age 60 and over, under age 21 EPSDT recipients, recipients age 21 and under and adults age 22 and older with developmental disabilities)
- ☞ Transportation (public, non-public, ambulance)
- ☞ Ventilator equipment
- ☞ Vision Services.

* Indicates services limited to recipients under 21 in the EPSDT program.

There are limitations on certain services such as: limits on the number of office visits, laboratory and X-ray services of \$500 per state fiscal year, only three pharmaceutical prescriptions, including refills, per month, (unlimited prescriptions for nursing facility recipients and EPSDT recipients under age 21), 20 day limit per year for inpatient hospital days, and co-payments of 41% of first day of hospital stay and \$1-\$3 for every prescription .

* These services limited to people under age 21 in the EPSDT program.