

# Ending Rural Health Disparities in Arkansas: A New Partnership Model for Government and Hospitals

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**ARKANSAS DEPARTMENT OF  
HUMAN SERVICES**

# Challenge and Opportunity In Arkansas

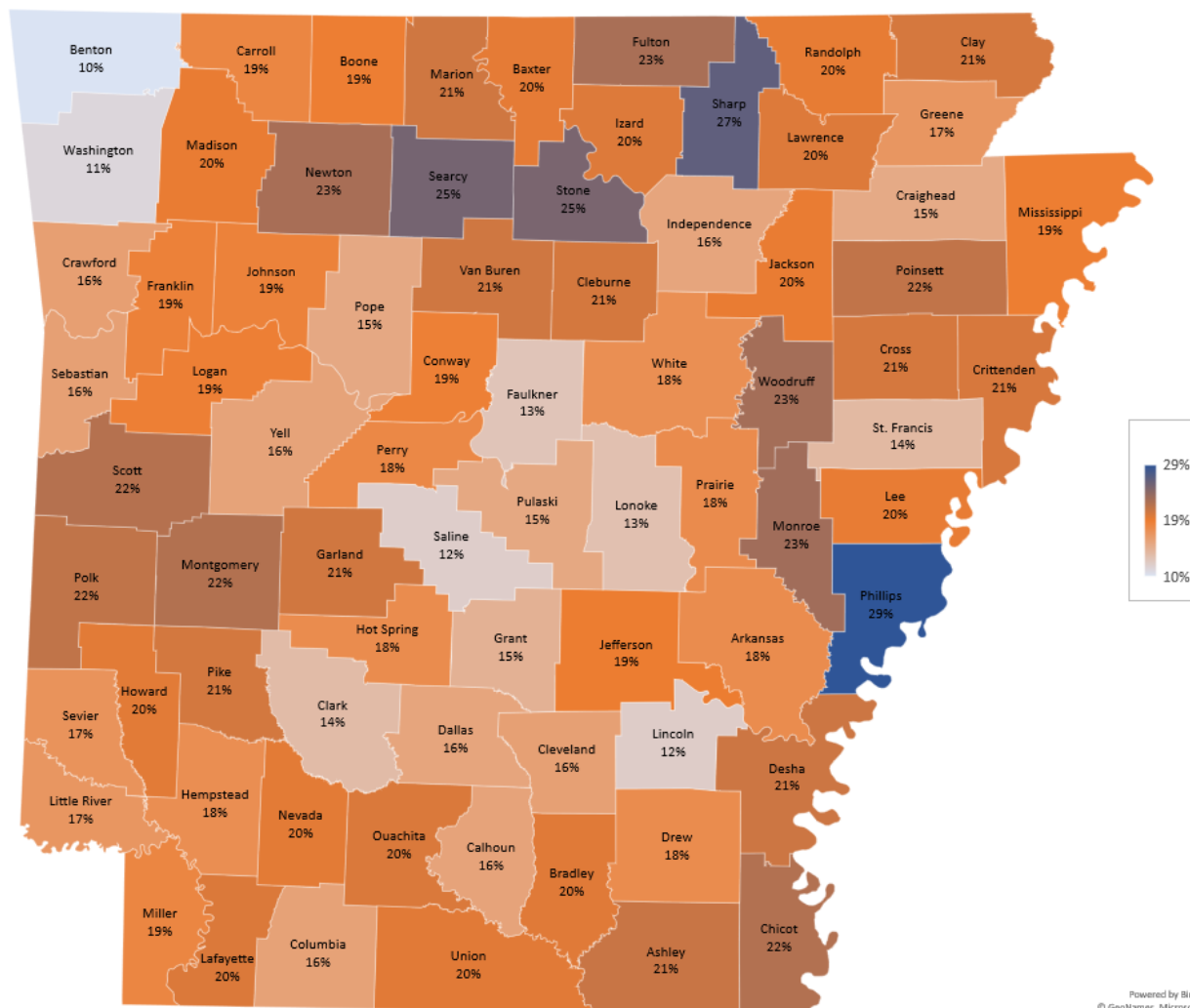
- Since 2014, Arkansas has taken significant steps to address population health, including innovative payment models and medical homes.
- Expansion of Medicaid to able-bodied adults in 2014 led to the second largest decline in the country in a state uninsured rate
  - Reduced from 22.5% in 2013 to 11.5% in 2020
- Medicaid is now a dominant payor in the state
  - Employer coverage – 47.8% (compared to U.S. - 56.3%)
  - Medicaid coverage – 26.1% (U.S. – 19.5%)
- The impact has been particularly critical for the state's rural population
  - 41% of Arkansans live in a rural county
  - University of Arkansas' *Rural Profile of Arkansas 2021* shows:
    - Declining population
    - Declining employment
    - Lower median household income
    - Poor infrastructure
    - Underachievement in schools
    - Lower health factor score

**Nearly half of the Arkansans covered by Medicaid Expansion live in rural counties**



# Percent of County Population 18-64 Covered by Medicaid Expansion

Oct. 1, 2020 Snapshot



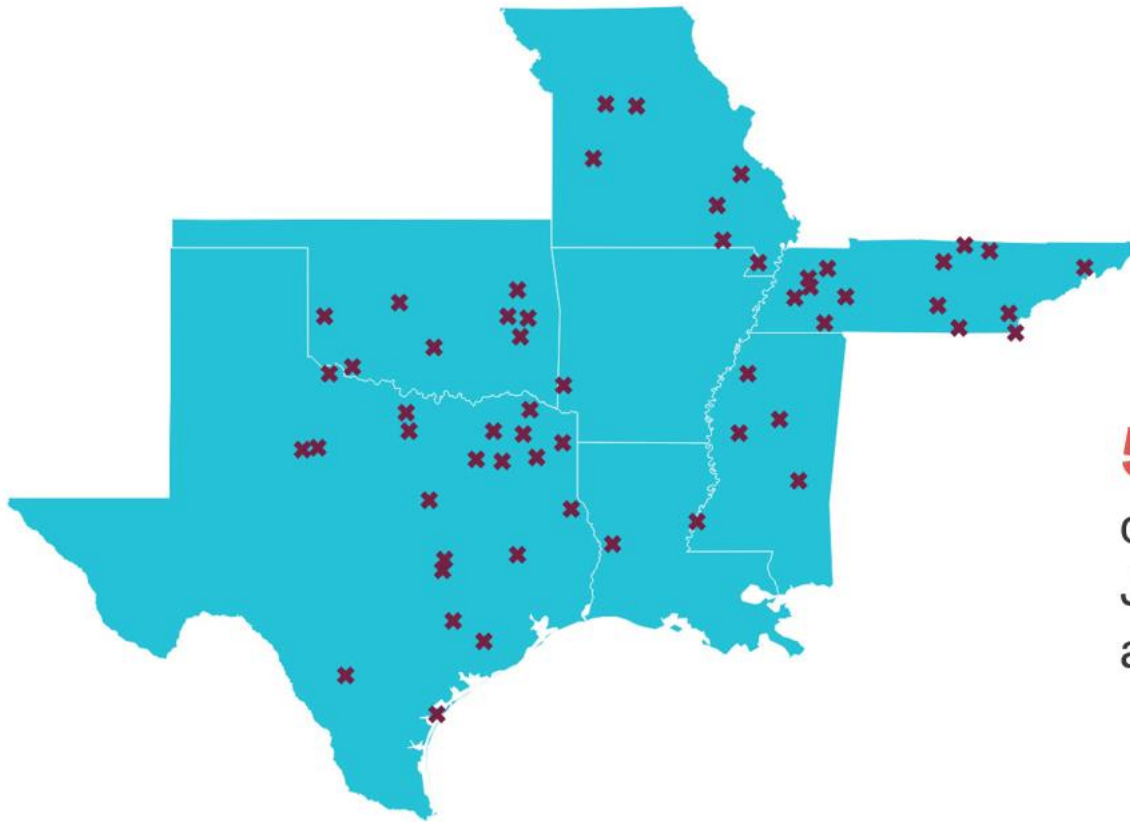
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# Expanding Medicaid Has Been Vital to Keeping Our Rural Hospitals Open

## ARKANSAS WORKS IMPACT ON RURAL HOSPITALS



**57** rural hospital  
closures, Jan. 2012–  
Jan. 2021 in Arkansas  
and neighboring states

Courtesy of Dr. Joe Thompson ACHI



# Today, Arkansas Rural Hospitals are at risk of closing

Over 800 rural hospitals – 40% of the rural hospitals in America – are at immediate or high risk of closure due to:

- Persistent financial losses
- Low or non-existent financial reserves; or
- High dependence on non-patient service revenues.

In Arkansas, the higher rates and increased coverage from Medicaid expansion has been offset by reduced patient volumes, short stays, and reduced Medicare payments. A rural Critical Access Hospital is a very difficult business model.

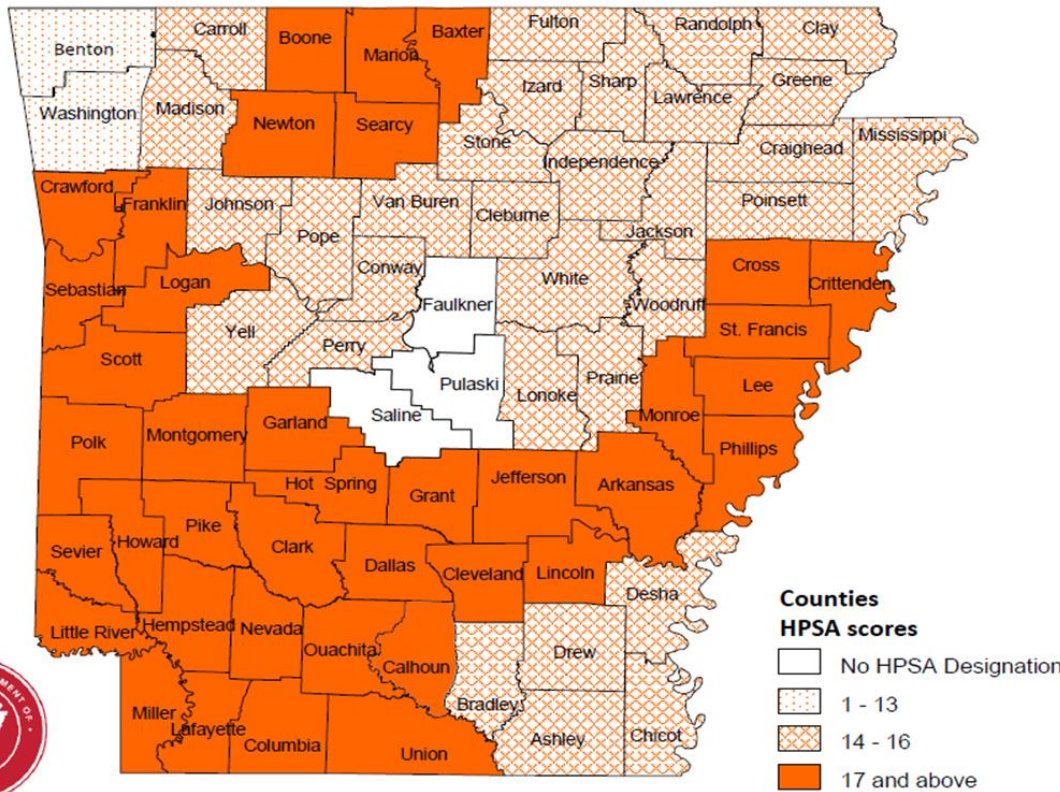
Almost all hospitals at risk of closure are in isolated, rural communities. Not only will community health care services be impacted, loss of a hospital also impacts the local economy and economic development.

## Hospitals at Risk of Closure in Arkansas and Neighboring States

State	Total Rural Hospitals	# at Risk of Closing	% at Risk of Closing
Arkansas	48	29	60%
Louisiana	49	26	53%
Mississippi	66	41	62%
Missouri	57	31	54%
Oklahoma	73	41	56%
Tennessee	51	30	59%
Texas	147	82	56%

# Mental Health services remain a challenge in rural areas

**ARKANSAS**  
**Mental Health Professional Shortage Areas (HPSA)**



There are no  
acute crisis or  
partial  
hospitalization  
units in  
rural Arkansas



Date: August 26, 2020  
Source: Arkansas Department of Health  
Map created by: Naomi Sweeney, MS  
Email: [Naomi.Sweeney@arkansas.gov](mailto:Naomi.Sweeney@arkansas.gov)  
Office of Rural Health and Primary Care  
Data Source: Health Resources and Services Administration (HRSA)

# Health coverage alone has not produced significant health improvement

- America's Health Ranking Annual Report – Arkansas
  - 2000 - 48<sup>th</sup>
  - 2010- 48<sup>th</sup>
  - 2019 – 48<sup>th</sup>

OUTCOMES			
Outcomes-HWC * (Weighted z score)	+	-0.221	49
Outcomes-Women * (Weighted z score)	+	-0.070	48
Diabetes - Women (Percentage of women ages 18-44)	+	5.0%	49
Drug Deaths - Women (Deaths per 100,000 females ages 15-44)	++++	15.7	20
Child Mortality (Deaths per 100,000 children ages 1-19)	+	35.2	44
Maternal Mortality (Deaths per 100,000 live births)	+	44.5	46
Missed School Days (Percentage of children ages 6-17)	++	4.1%	33
Postpartum Depression <sup>[4]</sup> (Percentage of women with a recent live birth)	*	21.0%	*
Teen Births (Births per 1,000 females ages 15-19)	+	32.8	50
Unintended Pregnancy <sup>[4]</sup> (Percentage of women with a recent live birth)	*	32.4%	*
Outcomes-Infants * (Weighted z score)	+	-0.078	46
Teen Suicide (Deaths per 100,000 adolescents ages 15-19)	++	14.3	37
Outcomes-Children * (Weighted z score)	+	-0.073	47
Infant Mortality (Deaths per 1,000 live births)	+	7.9	47
Neonatal Mortality (Deaths per 1,000 live births)	+	4.6	42
Preterm Birth (Percentage of live births)	+	11.4%	45



# Poverty, Social Determinants of Health & Health Outcomes

The correlation between poverty, poor health, and shortened life expectancy has been established so completely for decades as to be beyond question. As clearly stated by the US Department of Health and Human Services (HHS) in its *Healthy People 2020* report:

*“The prevalence of poverty in the United States is an important public health issue. In 2015, approximately 43 million Americans lived in poverty....*

***Researchers agree that there is a clear and established relationship between poverty, socioeconomic status, and health outcomes—including increased risk for disease and premature death (emphasis added).”***

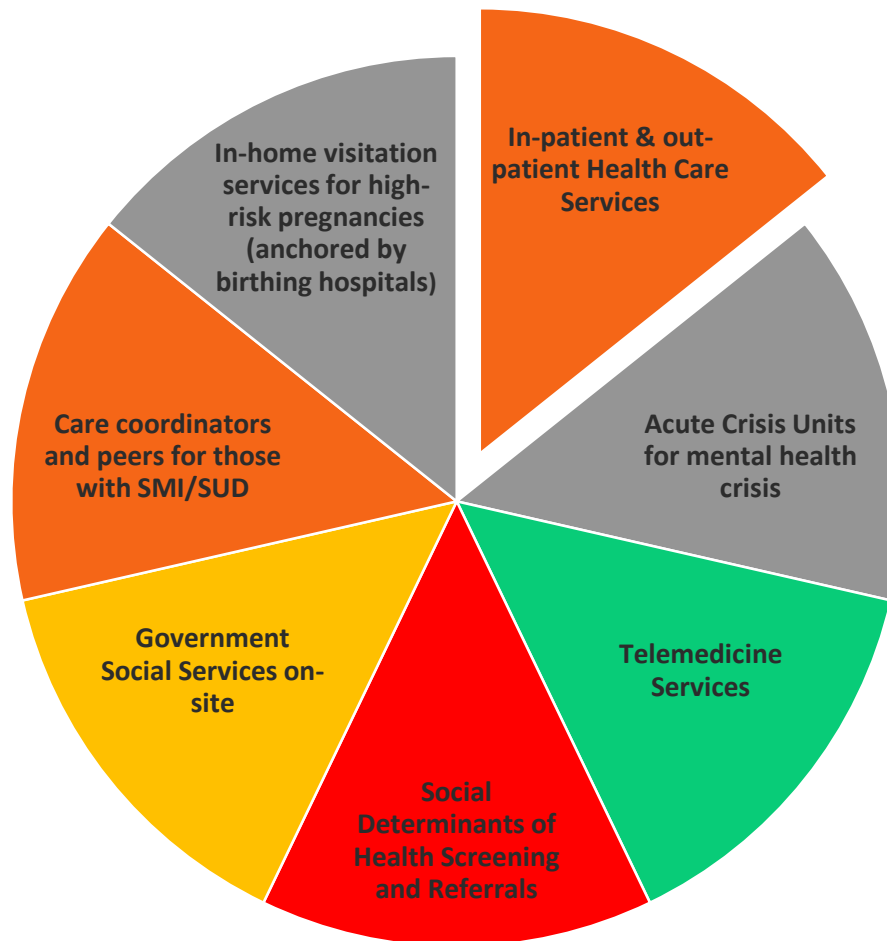
According to CMS, there is “emerging evidence that **addressing the health-related social needs** through enhanced clinical-community linkages can improve health outcomes and reduce costs.”

*“Unmet health-related social needs, such as food insecurity and inadequate or unstable housing, may increase the risk of developing chronic conditions, reduce an individual’s ability to manage these conditions, increase health care costs, and lead to avoidable health care utilization.”*

**Our challenge has been how to bring together health care services, social services and employment/education services in rural Arkansas to improve health and economic outcomes.**



# The ARHOME Partnership Model: Addressing Rural Population Health Through Hospital-Based Hubs



# The ARHOME Model: Stabilizing and Strengthening Rural Healthcare

## Rural Life360 HOMES will be paid to:

- Offer Acute Crisis Unit (ACU) services, including **“just in time” acute crisis beds** for clients in mental illness/substance use disorder crisis.
  - **Employ trained “coaches”** to *assist* enrollees with getting medical treatment and obtaining other services and supports to meet their health-related social needs through intensive one-on-one engagement.
  - *Screen and refer* all Arkansans for health-related social needs
  - **Build-out their telemedicine infrastructure** so more services are provided locally
  - Allow the State Social Services Agency (Department of Human Services) to co-locate on their campus
- Medical care is still provided by their local physician, pharmacy, therapist, etc.

Rural Emergency Response strengthened with **Mental Health Crisis Training and telemedicine** deployed in ambulances

**No financial risk** for hospitals choosing to become Rural Life360 HOME

## Maternal Life360 Homes will be paid to:

- Offer evidence-based home visitation services for women with high-risk pregnancies.
- Employ staff or engage a strategic partner such as an Early Head Start program to provide an evidence-based home visitation program **from pregnancy through the first 24 months of life of the child.**
- Medical care will continue through the woman’s doctor.

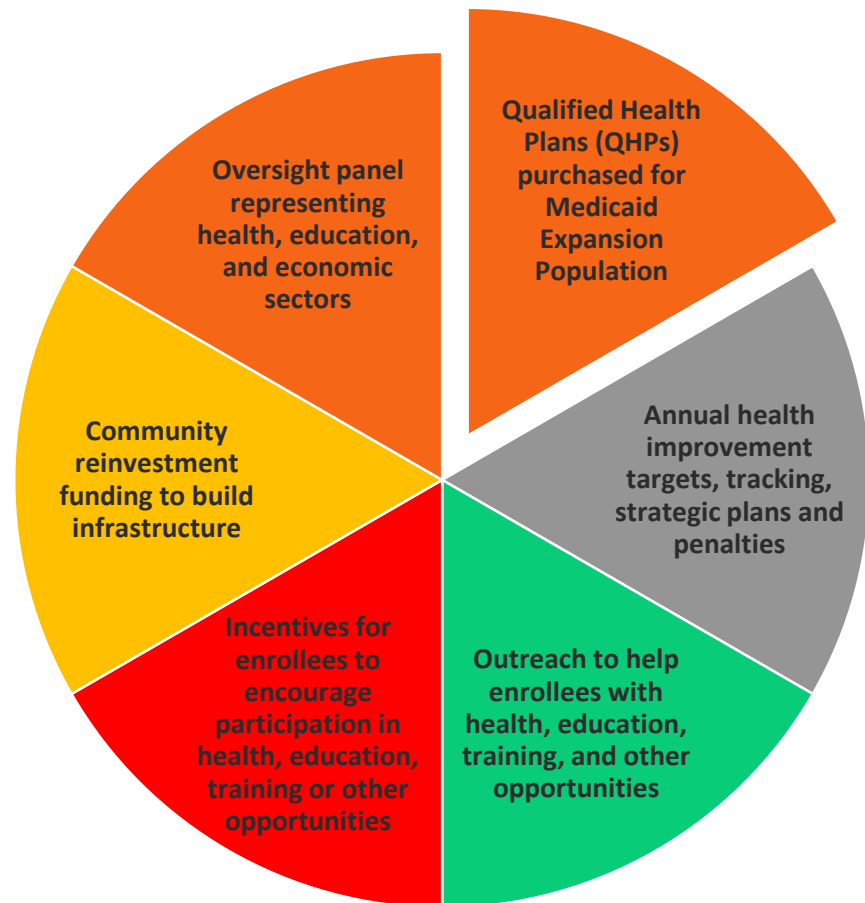


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# The ARHOME Partnership Model: Driving Improved Health Outcomes Through Health Insurance

## Annual improvement in Health Quality Measures in the Medicaid Adult Core Set related to:

- Primary Care Access and Preventive Care (6 measures)
- Maternal and Perinatal Health (4 measures)
- Care of Acute and Chronic Conditions (9 measures)
- Behavioral Health Care (12 measures)



# The ARHOME Medicaid 1115 Demonstration Waiver

**The Demonstration has been published by CMS for federal public comment from September 24, 2021 - October 24, 2021**

- The proposal is available at [Arkansas Health and Opportunity for Me \(ARHOME\) | Medicaid](#)
- When approved, the new program will launch on January 1, 2022.
- Benchmarking for health improvement targets has begun.
- Hospital engagement for Life360 Homes is underway.

We welcome your review and comments and look forward to reporting on the demonstration over the coming years.



**We Care. We Act.  
We Change Lives.**

