

Healthcare Affordability State Policy Scorecard

Polling data repeatedly shows that healthcare affordability is the number one issue that state residents, on both sides of the political aisle, want their policymakers to work on. This scorecard identifies areas where Arkansas is doing well and areas where it can improve.

STATE:

ARKANSAS

RANK:

25

out of 42 states + DC

Arkansas has relatively low healthcare spending per person, and the percentage of residents with affordability problems is consistent with the US average. Recent spending growth is high, suggesting a need for policymaker attention.

	POLICY SCORE	OUTCOME SCORE	RECOMMENDATIONS
EXTEND COVERAGE TO ALL RESIDENTS 	4 OUT OF 10 POINTS Medicaid coverage for childless adults goes to 138% of FPL. Certain recent immigrants have state coverage options.	6 OUT OF 10 POINTS In 2018, AR was in the middle third of states in terms of covering the uninsured, ranking 28 out of 50 states, plus DC.	<i>AR should consider options that help families that make too much to qualify for Medicaid, like Basic Health Plan, reinsurance or supplementary premium subsidies. AR should also consider adding affordability criteria to its insurance rate review.</i>
MAKE OUT-OF-POCKET COSTS AFFORDABLE 	0 OUT OF 10 POINTS AR has enacted none of the measures that might ease out-of-pocket cost-sharing burdens for consumers.	5 OUT OF 10 POINTS Forty percent of AR adults report healthcare OOP affordability burdens, earning the state a rank of 24 out of 49 states, plus DC, for this measure.	<i>In light of grave affordability problems, AR should consider a suite of measures to ease consumer burdens, starting with SMB protections – a proven measure for helping consumers.</i>
REDUCE LOW-VALUE CARE 	0 OUT OF 10 POINTS AR has not enacted meaningful patient safety reporting. AR is below average for hospital antibiotic stewardship and has not measured the extent of low-value care provided.	2 OUT OF 10 POINTS AR ranks poorly in terms of reducing C-sections for low risk mothers (37 out of 50 states, plus DC). AR ranks 45 out of 50 states, plus DC, in terms of per capita antibiotic prescribing.	<i>Curtailing low- and no-value care is key to improving affordability. AR should use claims & EHR data to identify unnecessary care & enact a multi-stakeholder effort to reduce it, stop paying for 'never events' & use policies & other ways to reduce medical harm & increase efforts to address antibiotic overprescribing.</i>
CURB EXCESS PRICES IN THE SYSTEM 	3 OUT OF 10 POINTS While the state has an APCD, AR is otherwise a middle-ranked state with a few policies to curb the rise of healthcare prices.	10 OUT OF 10 POINTS AR is a top-ranked state, keeping private payer prices below the national median and ranking 1 out of 42 states, plus DC.	<i>Year-over-year increases in healthcare prices overwhelmingly drive healthcare spending in a state. AR should consider enacting stronger price transparency requirements; establishing a health spending oversight entity; and creating health spending targets.</i>

APCD = All-Payer Claims Database FPL = Federal Poverty Level EHR = Electronic Health Records OOP = Out-of-Pocket Costs SMB = Surprise Medical Bill STLD = Short-Term, Limited-Duration

See state notes on page 2.

Full report and additional details at www.HealthcareValueHub.org/Affordability-Scorecard/Arkansas

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ARKANSAS NOTES

Methodological Notes:

State rank reflects the weighted sum of the policy and outcome scoring components. In this summation, the Extend Coverage to All Residents category received the biggest weight (reflecting its large impact on the uninsured population) and Reduce Low-Value Care received the smallest weight, reflecting its smaller impact on spending. A lower state rank number (i.e. close to 1) reflects a higher overall score and better performance when compared to other states.

For a complete discussion of methodology, please see healthcarevaluehub.org/affordability-scorecard/methodology.

The Problem:

Forty percent of adults report healthcare OOP affordability burdens, and the state ranked 24 out of 49 states, plus DC, for this measure. The most common burden reported was 'trouble paying medical bills' (31% of adults), followed by 'made changes to medical drugs because of cost.' According to the BEA, healthcare spending in Arkansas totalled \$6,299 per person in 2018.* Moreover, between 2013 and 2018, healthcare spending per person grew 24.2%.* While spending per person is comparatively low, residents are struggling to afford needed healthcare. Arkansas has much work to do to ensure wise health spending and affordability for residents.



Extend Coverage to All Residents:

Lawfully residing immigrant children and immigrant pregnant women are covered by Medicaid without a 5-year wait. Some level of prenatal care is available, regardless of immigration status, through CHIP's "unborn child" option.



Make Out-of-Pocket Costs Affordable:

High-deductible health plans create barriers to care for many families. Between 2011 and 2016, the average deductible associated with employer coverage rose 4.6% per year in Arkansas.*



Reduce Low-Value Care:

Addressing medical harm to improve patient safety can take many forms. One form is declining payment for services related to "never events," serious reportable events identified by the National Quality Forum (NQF) that should never occur in a healthcare setting.

Seventy-nine percent of Arkansas hospitals have adopted the CDC's 'Core Elements' of antibiotic stewardship – short of the goal of 100% of hospitals.



Curb Excess Prices in the System:

NOTE: The very high healthcare prices seen in Alaska (relative to the national median) means that most other states received a relatively good outcome score for this category.

* Informational data, not used in state score or ranking. DOI = Department of Insurance BEA = U.S. Bureau of Economic Analysis • Scorecard Updated: Jan. 7, 2020