

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-25-26
Baltimore, Maryland 21244-1850



State Demonstrations Group

May 14, 2019

Ms. Dawn Stehle
State Medicaid Director
Arkansas Department of Health and Human Services
Division of Medical Services
700 Main Street
Little Rock, Arkansas 72201

Dear Ms. Stehle:

On December 8, 2016, the Centers for Medicare & Medicaid Services (CMS) approved an extension of Arkansas' Medicaid section 1115 demonstration project entitled, "Arkansas Works" (Project Number 11-W-00298/1). This project was implemented to provide certain adult Medicaid beneficiaries with premium assistance to purchase qualified health plan (QHP) coverage through the Health Insurance Marketplace.

On March 5, 2018, CMS approved Arkansas's request for an amendment to this demonstration which allowed the state, no sooner than June 1, 2018, to require all Arkansas Works beneficiaries ages 19 through 49, with exemptions for certain groups, to participate in and timely document and report 80 hours per month of community engagement activities, such as employment, education, job skills training, or community service, as a condition of continued Medicaid eligibility. This amendment also removed the requirement that a hospital presumptive-eligibility state plan amendment (SPA) be approved as a condition of enacting the state's waiver of retroactive eligibility.

On March 27, 2019, the U.S. District Court for the District of Columbia vacated the amendment approved on March 5, 2018. We have appealed this court decision and will continue our efforts to ensure states have maximum flexibility through section 1115 demonstrations. However, pending appeal, the state must now adhere to the special terms and conditions that were approved as of December 8, 2016.

We look forward to continuing to work with you on innovative, state-driven policies that advance the objectives of the Medicaid program. If you have questions regarding your section

Page 2 – Ms. Dawn Stehle

1115 demonstration, please contact your CMS project officer, Ms. Stacey Shuman, at stacey.shuman@cms.hhs.gov.

Sincerely,

/s/

Andrea J. Casart
Director
Division of Medicaid Expansion Demonstrations

cc: Bill Brooks, Director, Division of Medicaid Field Operations South