

THE PRIVATE OPTION IS WORKING IN ARKANSAS

by Bo Ryall, President & CEO of the Arkansas Hospital Association

The Private Option is working for Arkansas patients, for Arkansas communities and for Arkansas's economy. Crafted by legislators who knew they had to comply with new federal healthcare laws but keep Arkansas true to its independent spirit, the Private Option provides the means for Arkansans with incomes at or below 138% of the federal poverty level (\$32,913 annual income for a family of four; \$16,105 for an individual) to access private health insurance rather than joining the traditional Medicaid rolls. Since the first day of enrollment October 1 of last year, more than 150,000 previously uninsured Arkansans who would have qualified for Medicaid under federal law have instead been approved for participation in the Private Option.

Naysayers have tried to demonize the Private Option and characterize it negatively as "Obamacare." In actuality, the Private Option allows Arkansas to comply with the law of the land – which we must – but to do so on Arkansas's own terms. Support for the Private Option does not equate to support for all of the provisions in the complicated Affordable Care Act. Instead, it is support for our state's right to follow federal laws and regulations, but with our own Arkansas health coverage model.

By reducing hospitals' uncompensated care (care provided to, but not paid for by, uninsured patients), the Private Option gives Arkansas hospitals a fighting financial chance to keep their doors open. Arkansas legislators can do nothing to change the severe cuts to Medicare reimbursements hospitals are suffering under federal

laws and regulations; what they can, and did, do at the state level is offer hospitals a way to be paid for the services they previously provided without being paid. Even though Private Option coverage has been in place for only a few months, the data from hospitals shows an initial 30% decline in uninsured patients which will lead to significant reductions in uncompensated care. These payments will not offset Medicare cuts to hospitals at the federal level, but they definitely help keep Arkansas hospitals open to serve their communities.

The Private Option is already working to give Arkansans access to quality healthcare. Preliminary data from hospitals shows that previously uninsured patients are now insured and are accessing the health care system in the right manner. More patients are able to see a health care provider in the right setting rather than using the emergency room for everyday care.

Perhaps the most important impact of the Private Option is its potential to improve the health of Arkansans. Hospitals already are seeing people get necessary care they could not have afforded without their new insurance coverage. The Private Option is leading to healthier families, a healthier workforce and stronger communities in our state. **The Private Option is working... in Arkansas and for Arkansas.**

**MORE PEOPLE
INSURED**

**ALLOWING ARKANSAS
TO DO IT OUR WAY**

**KEEPING
HOSPITALS VIABLE**

**MAKING QUALITY
CARE AVAILABLE**

**SECURING A
HEALTHIER FUTURE**

