June 8, 2026

Secretary Robert F. Kennedy, Jr.
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, DC 20201

Re: Arkansas Health and Opportunity for Me (ARHOME) Renewal

Dear Secretary Kennedy,

The Center on Budget and Policy Priorities and the Georgetown University Center for Children and Families appreciate the opportunity to comment on Arkansas' proposed renewal of its "Arkansas Health and Opportunity for Me (ARHOME)" section 1115 demonstration.[1] The Center on Budget and Policy Priorities (CBPP) is a nonpartisan research and policy organization based in Washington, D.C. Founded in 1981, CBPP conducts research and analysis to inform public debates and policymakers about a range of budget, tax, and programmatic issues affecting individuals and families with low or moderate incomes. The Georgetown University Center for Children and Families (CCF) is an independent, nonpartisan policy and research center founded in 2005 with a mission to expand and improve high quality, affordable health coverage for America's children and families. As part of the McCourt School of Public Policy, Georgetown CCF conducts research, develops strategies, and offers solutions to improve the health of America's children and families, particularly those with low and moderate incomes.

While we are not commenting on the aspects of the state's proposal related to Public Law 119-21 (P.L. 119-21)'s mandate to impose work requirements as a condition eligibility for Medicaid applicants and enrollees, CMS should ensure the state implements the policy consistent with the new federal law. We do not believe the state needs to use a section 1115 demonstration to implement this policy. In general, our organizations remain strongly opposed to Medicaid work requirements, which will result in unnecessary coverage losses and impede individuals' ability to get necessary care.

To advance its stated goal of supporting maternal health, Arkansas should adopt 12-month extended postpartum coverage.

Arkansas proposes to expand its Maternal Life360 Home program by allowing Federally Qualified Health Centers or other organizations to enroll in the program. We support the state's proposed expansion and goal to support maternal health and high-risk pregnant women and their infants through its Life360 Home program. However, Arkansas is markedly behind in improving access to health coverage for postpartum women as it remains the **only** state that has not adopted 12-month extended postpartum coverage. The state also has one of the highest maternal mortality rates in the country.[2] Any measures by the state to improve maternal health and support pregnant and postpartum women and their infants will be necessarily limited as long as postpartum women are losing access to Medicaid coverage at 60 days postpartum. Arkansas should join every other state

[1] Arkansas Department of Human Services ARHOME Section 1115 Demonstration Project Application, April 30, 2026, https://www.medicaid.gov/medicaid/section-1115-demonstrations/downloads/ar-arhome-renewal-app-20260511.pdf
[2] KFF, Maternal Deaths and Mortality Rates per 100,000 Live Births, https://www.kff.org/state-health-policy-data/state-indicator/maternal-deaths-and-mortality-rates-per-100000-live-births.

in extending postpartum Medicaid coverage to 12 months, in alignment with its stated commitment to supporting maternal health, and CMS should encourage Arkansas to do so.

Arkansas should eliminate imposition of cost-sharing beyond what is mandated by P.L. 119-21.

P.L. 119-21 requires states to impose cost-sharing for certain non-exempt services provided to Medicaid expansion populations with incomes above the federal poverty line (FPL) starting October 1, 2028. Arkansas proposes to come into alignment with these cost-sharing requirements as part of its ARHOME extension request. States are not required to receive approval for P.L. 119-21 mandated cost-sharing requirements via section 1115 waiver; the policy can be implemented through a more straightforward state plan amendment. Therefore, there is no need for Arkansas to seek nor CMS to include this waiver authority for cost-sharing in its demonstration extension to align with P.L. 119-21.

Additionally, the ARHOME demonstration currently imposes cost-sharing for beneficiaries with incomes as low as 21% FPL ($5,737 annually for a family of 3), relying on a waiver of comparability to permit targeted cost sharing for a segment of its expansion group. Research has shown that the imposition of cost-sharing for low-income populations, even at relatively small amounts (between $1 and $5 dollars), is associated with reduced use of care including necessary medications, mental health services, and preventive care as well as worse health outcomes.[3] Cost-sharing also increases financial burdens on families,[4] with seemingly nominal copayments quickly adding up if individuals require multiple prescriptions or regular care. CMS should encourage the state not to impose any cost-sharing beyond the minimum requirements of P.L. 119-21 and to eliminate any cost-sharing obligations for individuals with incomes below the federal poverty line. Furthermore, the state did not include a request to renew its waiver of comparability to impose cost-sharing requirements on individuals 21% FPL and above; given this was not included in the state's request, CMS at a minimum should not allow the state to continue the policy without going through the appropriate public notice and comment process for that requested authority.

Section 1115 demonstrations are not the proper forum for adjusting the Medical Loss Ratio.

Arkansas intends to raise their minimum Medical Loss Ratio (MLR) from 80% to 85%. States are not required to impose a minimum MLR. However, federal rules require that where states chose to impose a minimum MLR standard, the standard must be at least 85 percent.[5] In general, section 1115 demonstration is not an appropriate forum for crafting or adjusting MLR policy. As Arkansas is simply coming into alignment with existing federal rules, requesting this change through a section 1115 demonstration renewal is also inappropriate and unnecessary.

---

[3] KFF, Understanding the Impact of Medicaid Premiums & Cost-Sharing: Updated Evidence from the Literature and Section 1115 Waivers, September 2021, https://www.kff.org/medicaid/understanding-the-impact-of-medicaid-premiums-cost-sharing-updated-evidence-from-the-literature-and-section-1115-waivers/.

[4] *Ibid.*

[5] Center for Medicare and Medicaid Services, Medical Loss Ratio (MLR) Monitoring, Reporting, And Oversight: A Toolkit For States To Ensure Complete And Accurate MLR Reporting, September 2024, https://www.medicaid.gov/medicaid/managed-care/downloads/mlr-toolkit-sep-2024.pdf.

Our comments include numerous citations to supporting research, including direct links to the research, for HHS's benefit in reviewing our comments. We direct HHS to each of the studies cited and made available to the agency through active hyperlinks, and we request that the full text of each of the studies cited, along with the full text of our comments, be considered part of the administrative record in this matter for purposes of the Administrative Procedure Act.

Thank you for your willingness to consider our comments. If you need any additional information, please contact Joan Alker (joan.alker@georgetown.edu) or Allison Orris (aorris@cbpp.org).