

Fairness for AR Hospitals

To protect access and ensure fairness for Arkansas doctors and hospitals, we need legislation that sets minimum reimbursement rates for commercial health insurance companies. Without an established floor, our hospitals will continue struggling to sustain vital care such as emergency and maternity services, especially in rural communities.

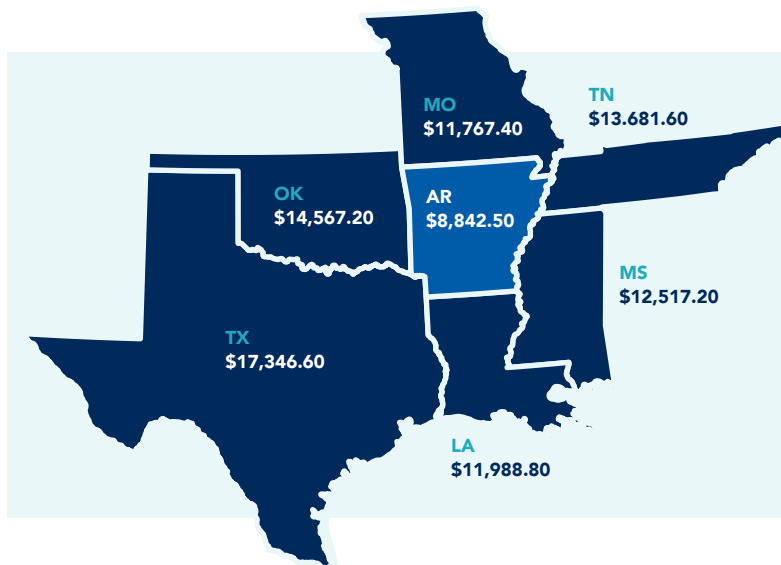
AR hospitals and doctors are paid less for the same care.

While Arkansans pay insurers similar amounts as people in other states, commercial insurers pay Arkansas hospitals some of the lowest reimbursement rates in the nation – substantially less than hospitals in every neighboring state receive for the same care.

**Commercial insurers pay
Arkansas hospitals two-thirds
of the national average.**

ARKANSAS HOSPITALS

NATIONAL AVERAGE MEDICARE RATE



Even when comparing Arkansas hospitals' average reimbursements to hospitals in nearby states, there is a stark difference. When comparing average discharge yields, Arkansas hospitals receive about \$2,924 less per patient than Missouri – the neighboring state with the lowest discharge yield – and nearly half of what Texas hospitals receive.

*Average Reimbursement per Patient for Arkansas
and Neighboring States, February 2024*

**Arkansans agree
this isn't fair.**

71%

say it is unfair that insurers pay
Arkansas hospitals and doctors
less than those in nearby states.

61%

believe the payment gap could
harm healthcare in Arkansas.

Fair reimbursement creates strong hospitals and even stronger communities.

OUR REALITY	WHAT FAIR REIMBURSEMENT ENABLES
>25% of all counties in the state do not have a local community hospital	Protecting access to essential healthcare close to home
12% of Arkansas workers are employed by hospitals or other healthcare organizations	Sustaining local jobs and keeping doctors and nurses in local communities
\$19.73 billion is contributed by hospitals toward Arkansas's community	Securing the future of our Arkansas and our communities

Now is the time to secure the future of healthcare in Arkansas.

The uncertain future of ARHOME increases the need for a sustainable solution to the state's commercial reimbursement issue.

ARHOME offers hospitals a more competitive reimbursement rate than fee-for-service or managed care organization Medicaid expansion solutions. If Arkansas were to shift to a fee-for-service or managed care organization model for Medicaid expansion, the state's hospitals would face a financial cliff. With already-low commercial reimbursements, there would be little room for hospitals to absorb the Medicaid expansion shock.

Persistently low commercial reimbursements are challenging both hospital financials and community access.

Arkansas hospitals are operating on margins that leave little room to sustain their mission. Many are having to make hard choices regarding their staffing, services, facilities, locations and ultimate future. Without a solution for the nominal commercial reimbursements received today, Arkansans will lose access to the care they need, whether it be emergency, inpatient or specialty care.

**SUPPORT FAIRNESS FOR AR HOSPITALS.
PROTECT ACCESS FOR OUR COMMUNITIES.
SET MINIMUM COMMERCIAL REIMBURSEMENT LEVELS.**



Now is the Time.

SUPPORTED BY THE
ARKANSAS HOSPITAL ASSOCIATION