

## Table of Contents

State/Territory Name:       Arkansas

State Plan Amendment (SPA) #: 15-0003

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Dallas Regional Office  
1301 Young Street, Suite 833  
Dallas, Texas 75202



**DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI**

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September 25, 2015

Our Reference: SPA TN# AR 15-0003

Mrs. Dawn Stehle  
Director  
Division of Medical Services  
Little Rock, AR 72203-1437

Dear Dawn:

We have reviewed the State's proposed amendment to the Arkansas State Plan submitted under Transmittal Number AR 15-0003, dated August 24, 2015. This state plan amendment requests to increase rates for ambulatory surgical centers to 95% of Medicare rates.

Based on the information submitted, we have approved the amendment AR 15-0003 for incorporation into the official Arkansas State Plan with an effective date change of July 1, 2015. A copy of the CMS-179 and the approved plan pages are enclosed with this letter.



If you have any questions, please contact Lynn Ward at (214) 767-6327.

Sincerely,

A black rectangular box redacting the signature of Bill Brooks.

Bill Brooks  
Associate Regional Administrator

cc: Seth Blomeley  
Camille Johnson

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>  <b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>		1. TRANSMITTAL NUMBER:  2015-003	2. STATE  ARKANSAS
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE  July 1, 2015	
5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ):  <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate Transmittal for each amendment</i> )			
6. FEDERAL STATUTE/REGULATION CITATION:  42 CFR Section 447.205		7. FEDERAL BUDGET IMPACT: a. FFY 2015                      \$ 590,539 b. FFY 2016                      \$2,332,831	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-B, Page 3aa		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):  Same, Approved 11-22-13, TN 13-10	
10. SUBJECT OF AMENDMENT: The Arkansas Title XIX State Plan has been amended to change the reimbursement methodology for Ambulatory Surgery Centers per Act 1236 of the 2015 Arkansas General Assembly.			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:  		16. RETURN TO:  Division of Medical Services PO Box 1437, Slot S295 Little Rock, AR 72203-1437	
13. TYPED NAME: Dawn Stehle		Attention: Seth Blomeley	
14. TITLE: Director, Division of Medical Services			
15. DATE SUBMITTED: August 24, 2015			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED:  24 August, 2015		18. DATE APPROVED:  25 September, 2015	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL:  1 July, 2015		20. SIGNAT  OFFICIAL:	
21. TYPED NAME:  Bill BROOKS		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:			

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -  
OTHER TYPES OF CARE

Revised: July 1, 2015

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9. Clinic Services (Continued)

(2) Family Planning Clinic Services

Payment based on reasonable negotiated rate.

(3) Maternity Clinic Services

Payment based on reasonable negotiated rate.

Effective for claims with dates of service on or after July 1, 1992, the Title XIX maximum rates were decreased by 20%

(4) Ambulatory Surgical Center Services

Act 1352 of the 2013 Arkansas General Assembly established reimbursement for Ambulatory Surgery Centers based on 80% of the Medicare Ambulatory Surgery Center procedure code reimbursement rates. Reimbursement is based on the lesser of the provider's actual charges for the service or the Title XIX (Medicaid) maximum. These rates are effective for dates of service beginning July 1, 2013 **through June 30, 2015**. All rates are published on the agency's website ([www.medicaid.state.ar.us](http://www.medicaid.state.ar.us)). Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of Ambulatory Surgical Center services. Medicaid will follow Medicare procedure code updates.

**Effective July 1, 2015 Act 1236 as amended by the 2015 Arkansas General Assembly adjusted reimbursement for Ambulatory Surgery Centers to 95% of the Medicare Ambulatory Surgery Center procedure codes reimbursement rates. Also in accordance with this amendment Medicaid may adopt and assign a CPT code for a comparable procedure (if the procedure code is not listed on the Medicare ASC procedure code listing) only if the code was approved by Medicaid before the procedure was performed.**

In accordance with the Act, Implantable Devices which are not bundled as part of the appropriate procedure code will be reimbursed at a pass-through cost; if the combined documented cost of the appropriate implantable devices is greater than 50% of the appropriate Medicaid maximum procedure code reimbursement rate. If multiple devices are included for one patient, then the total provided devices' cost is calculated and then compared to the appropriate procedure code. The implantable devices' reimbursement provision is also effective for dates of service beginning July 1, 2013 **through June 30, 2015**. These implantable devices are listed in the provider manual which can be found on the agency's website at <https://www.medicaid.state.ar.us/InternetSolution/Provider/docs/asc.aspx>.

State: Arkansas
Date Received: 8/24/15
Date Approved: 9/25/15
Date Effective: 7/1/15
Transmittal Number: 15-0003