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State/Territory Name: Arkansas

State Plan Amendment (SPA) #: 18-004

This file contains the following documents in the order listed:

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

July 10, 2018

Our Reference: SPA AR 18-0004

Ms. Dawn Stehle
State Medicaid Director
Arkansas Department of Health and Human Services
Division of Medical Services
P.O. Box 1437
Little Rock, Arkansas 72203-1437

Dear Ms. Stehle:

Enclosed is a copy of approved Arkansas (AR) State Plan Amendment (SPA) No. 18-0004, with an effective date of July 1, 2018. This amendment was submitted to combine the current Developmental Day Treatment Clinic Services (DDTCS) for children and Child Health Management Services (CHMS) into a single program designated as Early Intervention Day Treatment (EIDT).

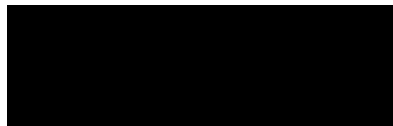
This letter affirms that AR 18-0004 is approved effective July 1, 2018 as requested by the State.

We are enclosing the CMS-179 and the following amended plan pages.

- Attachment 3.1-A, Page 1i
- Attachment 3.1-B, Page 2h
- Attachment 4.19-B, Page 1f

If you have any questions regarding this matter you may contact Stacey Shuman at 214-767-6479, or by email at stacey.shuman@cms.hhs.gov.

Sincerely,



Bill Brooks
Associate Regional Administrator

CC: Billy Bob Farrell, DMCH Dallas
Stacey Shuman, DMCH Dallas
Rachel Dressel, CMS Baltimore
Andrew Badaracco, CMS Baltimore

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; vertical-align: top;"> 1. TRANSMITTAL NUMBER: 2018-004 </td> <td style="width: 50%; vertical-align: top;"> 2. STATE ARKANSAS </td> </tr> <tr> <td colspan="2" style="vertical-align: top;"> 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) </td> </tr> <tr> <td colspan="2" style="vertical-align: top;"> 4. PROPOSED EFFECTIVE DATE: July 1, 2018 </td> </tr> </table>		1. TRANSMITTAL NUMBER: 2018-004	2. STATE ARKANSAS	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)		4. PROPOSED EFFECTIVE DATE: July 1, 2018	
1. TRANSMITTAL NUMBER: 2018-004	2. STATE ARKANSAS								
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)									
4. PROPOSED EFFECTIVE DATE: July 1, 2018									
5. TYPE OF PLAN MATERIAL (Check One): <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 (Separate Transmittal for each amendment)									
6. FEDERAL STATUTE/REGULATION CITATION:		7. FEDERAL BUDGET IMPACT: a. FFY 2018 \$ 0 b. FFY 2019 \$ 0							
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A, Page 1i Attachment 3.1-B, Page 2h Attachment 4.19-B, Page 1f		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same, Approved 10-31-17, TN 17-11 Same, Approved 10-31-17, TN 17-11 Same, Approved 11-04-02, TN 01-36							
10. SUBJECT OF AMENDMENT: The Arkansas Title XIX State Plan has been amended to combine the current Developmental Day Treatment Clinic (DDTCS) for children and Child Health Management Services (CHMS) into one successor program, now called Early Intervention Day Treatment (EIDT).									
11. GOVERNOR'S REVIEW (Check One): <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 OFFICIAL: <div style="background-color: black; width: 300px; height: 30px; margin-top: 5px;"></div>		16. RETURN TO: Division of Medical Services PO Box 1437, Slot S295 Little Rock, AR 72203-1437 Attention: Dave Mills							
13. TYPED NAME: Rose M. Naff									
14. TITLE: Director, Division of Medical Services									
15. DATE SUBMITTED: April 20, 2018									
FOR REGIONAL OFFICE USE ONLY									
17. DATE RECEIVED: April 20, 2018		18. DATE APPROVED: July 10, 2018							
PLAN APPROVED – ONE COPY ATTACHED									
19. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2018		20. SIGNATURE: <div style="background-color: black; width: 200px; height: 30px; display: inline-block;"></div>							
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health							
23. REMARKS: 									

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

Revised: July 1, 2018

CATEGORICALLY NEEDY

4.b Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

(2) Apnea (Cardiorespiratory) Monitors

Apnea (cardiorespiratory) monitors are provided for eligible recipients in the EPSDT Program. Use of the apnea monitors must be medically necessary and prescribed by a physician. Prior authorization is not required for the initial one month period. If the apnea monitor is needed longer than the initial month, prior authorization is required.

(3) Early Intervention Day Treatment (EIDT) Services

EIDT services provide diagnosis and evaluation for the purpose of early intervention and prevention for eligible recipients in the EPSDT Program. Services are provided, if identified by an Independent Assessment in accordance with the Independent Assessment Manual, in multi-disciplinary clinic based setting as defined in 42 CFR § 440.90.

State: Arkansas
Date Received: 20 April, 2018
Date Approved: 10 July, 2018
Effective Date: 1 July, 2018
Transmittal Number: 18-04

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

Revised: July 1, 2018

MEDICALLY NEEDY

4.b Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

(2) Apnea (Cardiorespiratory) Monitors

Apnea (cardiorespiratory) monitors are provided for eligible recipients in the EPSDT Program. Use of the apnea monitors must be medically necessary and prescribed by a physician. Prior authorization is not required for the initial one month period. If the apnea monitor is needed longer than the initial month, prior authorization is required.

(3) Early Childhood Intervention Day Treatment (EIDT) Services

EIDT services provide diagnosis and evaluation for the purpose of early intervention and prevention for eligible recipients in the EPSDT Program. Services are provided, if identified by an Independent Assessment in accordance with the Independent Assessment Manual, in multi-disciplinary clinic based setting as defined in 42 CFR § 440.90.

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

Revised: July 1, 2018

- 4.b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age and Treatment of Conditions Found.
(Continued)

(3) Early Intervention Day Treatment (EDIT)

Reimbursement for **comprehensive** evaluation is based on the lesser of the amount billed or the Title XIX (Medicaid) charge allowed. **The Title XIX maximum was established based on a 1980 survey conducted by Developmental Disabilities Services (DDS) of 85 Arkansas Developmental Day Treatment providers of their operational costs excluding their therapy services. An average operational cost was derived for each service. Then an average number of units was derived for each service. The average operational cost for each service was divided by the average units for that particular service to arrive at a maximum rate.**

The Title XIX (Medicaid) maximum rates were established based on the following:

1. Auditory, developmental and neuropsychological testing services listed in the 1990 Blue Cross/Blue Shield Fee Schedule that are not subject to the other specifically identified reimbursement criteria are reimbursed based on 80% of the October, 1990 Blue Cross/Blue Shield Fee Schedule amounts. For those services that were not included on the 1990 Blue Cross/Blue Shield Fee Schedule, rates are established per the most current Blue Cross/Blue Shield Fee Schedule amount less 2.5% and then multiplied by 66%.
2. Psychological diagnosis/evaluation services are reimbursed from the Rehabilitative Services for Persons with Mental Illness (RSPMI) Fee Schedule as described in Attachment 4.19-B, Item 13.d.1.
3. Medical professional services reimbursement is based on the physician's fee schedule. Refer to the physician's reimbursement methodology as described in Attachment 4.19-B, Item 5.
4. The maximum rates for nutritional services are based on the entry-level salary for a Dietician (Grade 19). Department of Human Services position. The cost categories include Salary (\$22,795), overhead and administration (\$2,276...using salary as the allocation base) and benefits (\$4,559...using salary as the allocation base). These costs were allocated at 10% for overhead/administration and 20% for benefits. A 30 minute visit will equal one unit of services. As such, the unit of services rate is \$7.12 as calculated by $[\$22,795 + \$2,276 + \$4,559 = \$29,630/2080 \text{ (52 weeks} \times 40 \text{ hours per week)} = \$14.24 \text{ per hour.}]$
5. **The maximum rate for habilitative services is \$16.46. This rate was calculated based on analysis of current 2005 cost to provide quality services in compliance with governing regulations. The rates have been demonstrated to be consistent with the Clinic Upper Payment Limit at 42 CFR 447.321. One unit of service equals 1 hour of service with a maximum of 5 hours per day. State developed fee schedule rates are the same for both public and private providers of EIDT services.**
6. **The maximum rate for nursing services is \$14.30. Reimbursement for registered nurse and licensed practical nurses is based on the Private Duty Nursing Fee Schedule as described in Attachment 4.19B, Item 8.**
7. The Title XIX maximum for occupational, physical and speech therapy diagnosis and evaluation is equal to the Title XIX (Medicaid) maximum established for the stand-alone therapy program. Refer to the stand-alone therapy reimbursement methodology as described in Attachment 4.19-B, Item 4b. (19).

Extensions of benefits will be provided for all EIDT services, if medically necessary.

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