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State/Territory Name: Arkansas

State Plan Amendment (SPA) #: 18-007

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 18-0007

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. 18-0007, with an effective date of July 1, 2018. This amendment was submitted to reflect that adults previously served by Developmental Day Treatment Clinic Service Centers will now be served by Adult Developmental Day Treatment (ADDT) programs, where participants will also be given the opportunity to receive nursing services with prior authorization.

This letter affirms that AR 18-0007 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 4a
- Attachment 3.1-B, Page 4b
- Attachment 4.19-B, Page 3a



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,

A solid black rectangular box used to redact the signature of Bill Brooks.

Bill Brooks
Associate Regional Administrator

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

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 2018-007	2. STATE ARKANSAS
FOR: HEALTH CARE FINANCING ADMINISTRATION		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, 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 4a Attachment 3.1-B, Page 4b Attachment 4.19-B, Page 3a		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 11-04-10, TN 10-03	
10. SUBJECT OF AMENDMENT: The Arkansas Title XIX State Plan has been amended to reflect that adults previously served by Developmental Day Treatment Clinic Service Centers will now be served by Adult Developmental Day Treatment (ADDT) programs. Also, giving the opportunity for these clients to receive nursing services at the ADDT center with prior authorization.			
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. OFFICIAL: 		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			
19. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2018		20. SIG 	
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 NEEEDY

9. Clinic Services

(1) **Adult Developmental Day Treatment (ADDT) Services**

Limited to comprehensive day treatment centers offering the following scope of services **to beneficiaries age 18 and above:**

- a. Assessments, 1 unit per year
- b. Adult Habilitative Services, 5 units per day, 1 hour each
- c. Provision of noon meal

Optional Services available through **ADDT** in conjunction with core services are as follows:

- a. Physical therapy - Services must be prescribed by a physician and provided by or under the supervision of a qualified physical therapist.
- b. Speech therapy - Services must be referred by a physician and provided by or under the supervision of a qualified speech pathologist.
- c. Occupational therapy - Services must be prescribed by a physician and provided by or under the supervision of a qualified occupational therapist.

Effective for dates of services on or after July 1, 2017, individual and group therapy are limited to six (6) units per week. One unit equals 15 minutes. Evaluations are limited to four (4) units per State Fiscal Year (July 1 through June 30). One unit equals 30 minutes.

Extensions of the benefit limit for all ADDT services will be provided if medically necessary.

State: Arkansas
Date Received: 20 April, 2018
Date Approved: 10 July, 2018
Effective Date: 1 July, 2018
Transmittal Number: 18-07

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.

Core services provided by EIDT are:

- a. **Comprehensive Evaluation for ages 0-20, 1 unit per year**
- b. **Habilitative Services for ages 0-6—5 units per day, 1 hour each**
- c. **Habilitative Services in the Summer for ages 6-20, 5 units per day, 1 hour each**
- d. **Physical Therapy as prescribed by a physician and provided under the supervision of a qualified physical therapist**
- e. **Speech Therapy as prescribed by a physician, and provided under the supervision of a qualified speech pathologist**
- f. **Occupational Therapy as prescribed by a physician, and provided under the supervision of a qualified occupational therapist**
- g. **Nursing Services as prescribed by a physician, and provided by a registered nurse or a licensed nurse practitioner, 4 units per day, 15 minutes each**

Individual and group therapy are limited to six (6) units per week. One unit equal 15 minutes. Evaluations are limited to four (4) units per State Fiscal Year (July 1 through July 30). One unit equals 30 minutes.

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

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

Revised: July 1, 2018

8. Private Duty Nursing Services (Continued)

Refer to Attachment 4.19-B, Item 4.b.(5) for reimbursement information for private duty nursing services for high technology non-ventilator recipients in the EPSDT Program.

9. Clinic Services

(1) **Adult Developmental Day Treatment (ADDT) and Early Intervention Day Treatment (EIDT)**

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Reimbursement is based on the lesser of the amount billed or the maximum 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.

For dates of service occurring on or after February 1, 2010, the maximum per unit rate for Adult **Habilitative** Services is increased to \$10.60. These new rates were calculated based on analysis of the 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. For EIDT and ADDT, 1 unit of service equals 1 hour of service with a maximum of 5 units per day.

For EIDT, 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%.

For EIDT, 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.

For EIDT, 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.

For EIDT, 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 $[\$22,795 + \$2,276 + \$4,559 = \$29,630 / 2080 \text{ (52 weeks' x 40 hours per week)} = \$14.24 \text{ per hour.}]$

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.

State developed fee schedule rates are the same for both public and private providers of EIDT and **ADDT** services. Occupational, physical and speech therapy services under the EIDT and **ADDT** Program are reimbursed as is described in Item 4.b.(19).

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