

## Table of Contents

State/Territory Name: Arkansas

State Plan Amendment (SPA) #: 20-0003

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

601 East 12th Street, Suite 355

Kansas City, Missouri 64106-2898



Medicaid and CHIP Operations Group

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June 16, 2020

Janet Mann, Director  
Arkansas Department of Human Services  
Division of Medical Services  
Office of Rules Promulgation  
P.O. Box 1437, Slot S295  
Little Rock, AR 72203-1437

Dear Ms. Mann:

On March 27, 2020, the Centers for Medicare & Medicaid Services (CMS) received Arkansas' State Plan Amendment (SPA) transmittal #20-0003, which increase rates for day habilitation services and to make corrections to the related coverage pages.

Based upon the information received, we are now ready to approve SPA #20-0003 as of June 11, 2020, with an effective date of January 1, 2020, as requested by the State.

Enclosed is a copy of the CMS-179 form, as well as the approved pages for incorporation into the Arkansas State Plan.

If you have any questions regarding this amendment, please contact Michala Walker at (816) 426-5925.

Sincerely,

6/16/2020



James G. Scott, Director  
Division of Program Operations

Signed by: James G. Scott -S

Enclosure

cc:

Alexandra Rouse  
Renita Whitley  
Jack Tiner  
Anita Castleberry  
Elizabeth Pitman  
Lisa Teague

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER 2 0 0 0 0 3	2. STATE <b>Arkansas</b>
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE & MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
01/01/2020

5. TYPE OF PLAN MATERIAL (Check One)  
 NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS NEW PLAN       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 2020 \$ 10,094,723  
b. FFY 2021 \$ 13,497,323

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 1f  
Attachment 4.19-B Page 3a

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  
Same, Approved 7-10-18, TN18-07  
Same, Approved 7-10-18, TN 18-07  
Same, Approved 7-10-18, TN 18-04  
Same, Approved 7-10-18, TN 18-07

10. SUBJECT OF AMENDMENT

EARLY INTERVENTION DAY TREATMENT (EIDT) AND ADULT DEVELOPMENTAL DAY TREATMENT (ADDT)  
REIMBURSEMENT RATE INCREASES

11. GOVERNOR'S REVIEW (Check One)

- GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL

[REDACTED]

16. RETURN TO

Office of Rules Promulgation  
PO Box 1437, Slot S295  
Little Rock, AR 72203-1437

13. TYPED NAME  
Janet Mahn

14. TITLE  
Director, Division of Medical Services

Attn: Alexandra Rouse

15. DATE SUBMITTED  
03/27/2020

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED 03/27/2020  
18. DATE APPROVED 06/11/2020

19. EFFECTIVE DATE OF APPROVED MATERIAL  
01/01/2020

**PLAN APPROVED - ONE COPY ATTACHED**

20. SIGN [REDACTED] ONAL OFFICIAL

21. TYPED NAME

James G. Scott

22. TITLE

Director, Division of Program Operations

23. REMARKS

AMOUNT, DURATION AND SCOPE OF  
SERVICES PROVIDED

CATEGORICALLY NEEDY

Revised:

January 1, 2020

9. Clinic Services

(1) Adult Developmental Day Treatment (ADDT) Services

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

- a. Assessments, 1 unit per year
- b. Adult **Day Habilitation** 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.

**Occupational, Physical, and Speech Therapy Services are provided in accordance with Items 3.1-A.4b(15), 3.1-A.11, 3.1-B.4b(15), and 3.1-B(11).**

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

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PROGRAM  
STATE ARKANSAS

AMOUNT, DURATION AND SCOPE OF  
SERVICES PROVIDED

MEDICALLY NEEDY

Revised: January 1, 2020

9. Clinic Services

(1) Adult Developmental Day Treatment (ADDT) Services

Limited to **adult** day treatment centers offering the following **core** services to beneficiaries age **eighteen** (18) and above:

- a. Assessment, **one** (1) unit per year
- b. Adult **Day Habilitation** Services, **five** (5) units per day, **one** (1) hour each day
- c. Provision of noon meal

Optional Services available through **Adult Developmental Day Treatment** (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 prescribed 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.

**Occupational, Physical, and Speech Therapy Services are provided in accordance with Items 3.1-A.4b(15), 3.1-A.11, 3.1-B.4b(15), and 3.1-B(11).**

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

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

Revised:

January 1, 2020

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 (EIDT)**

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 **and average number of units** were 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 **October 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 **provided by Early Intervention Day Treatment (EIDT) providers certified as Academic Medical Centers (AMCs)** are reimbursed from the **Outpatient Behavioral Health 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 rate for **one hour of day habilitation** services is **\$18.27**. This rate was calculated based on analysis of current **2019-2020** costs 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. **The maximum services without an extension of benefits are 5 hours per day.** State developed fee schedule rates are the same for both public and private providers of EIDT services.

5. The maximum rate for **five minutes of registered** nursing services is **\$4.77**. **The maximum rate for five (5) minutes of licensed practical nursing services is \$3.17**. Reimbursement for registered nurses and licensed practical nurses is based on the Private Duty Nursing Fee Schedule as described in Attachment 4.19B, Item 8.

6. 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.

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

Revised:

January 1, 2020

## 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 **Early and Periodic Screening Diagnosis and Treatment (EPSDT) Program.**

## 9. Clinic Services

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

Reimbursement for **comprehensive evaluation services** 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 **and average number of units were** 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 **January 1, 2020**, the maximum per unit rate for **Adult day habilitation services** increased to **\$11.77**. These new rates were calculated based on analysis of the current **2019-2020** costs 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 **ADDT day habilitation services, there is a maximum of 5 hours of services** 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 **October 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 **provided by EIDTs certified as Academic Medical Centers (AMCs)** are reimbursed from the **Outpatient Behavioral Health Services (OBHS) 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.

The maximum rate for **five minutes of registered nursing services is \$4.77**. **The maximum rate for five minutes of licensed practical nursing services is \$3.17**. Reimbursement for registered nurses 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.

TN: 20-0003

Approval Date: 06/11/2020

Supersedes TN: 18-07

Effective Date: 01/01/2020