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State/Territory Name: Arkansas

State Plan Amendment (SPA) AR: 22-0004

This file contains the following documents in the order listed:

1) Approval Letter
2) CMS 179 Form/Summary Form (with 179-like data)
3) Approved SPA Pages
April 6, 2022

Dawn Stehle
Deputy Director for Health and Medicaid Director
Arkansas Department of Human Services
112 West 8th Street, Slot S401
Little Rock, AR 72201-4608

RE: TN 22-0004

Dear Ms. Stehle:

We have reviewed the proposed Arkansas State Plan Amendment (SPA) to Attachment 4.19-B, AR 22-0004, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on January 21, 2022. This plan amendment intends to add the price of the vagus nerve stimulator into the surgery rate.

Based upon the information provided by the State, we have approved the amendment with an effective date of June 1, 2022. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Robert Bromwell at 410-786-5914 or Robert.bromwell@cms.hhs.gov.

Sincerely,

Todd McMillion
Director
Division of Reimbursement Review

Enclosures
## Transmittal and Notice of Approval of State Plan Material

### FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

<table>
<thead>
<tr>
<th>1. TRANSMITTLAL NUMBER</th>
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<td>2. STATE</td>
<td>AR</td>
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### 5. PROGRAM IDENTIFICATION TITLE OF THE SOCIAL SECURITY ACT

| XIX          | XXI        |

### 10. GOVERNOR’S REVIEW (Check One)

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

### 11. SIGNATURE OF STATE AGENCY OFFICIAL

<table>
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<tr>
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### 18. EFFECTIVE DATE OF APPROVED MATERIAL

| June 1, 2022 |

### 20. TYPED NAME OF APPROVING OFFICIAL

| Todd McMillion |

### Pen and ink change authorized via email on 2/14/2022 to add transmittal number 22-0004 to block 1.
2.a. Outpatient Hospital Services (continued)

(6) Border City University-Affiliated Pediatric Teaching Hospitals

Special consideration is given to border city university-affiliated pediatric teaching hospitals due to the higher costs typically associated with such hospitals. Effective for claims with dates of service on or after January 1, 2018, outpatient hospital facility services provided to patients under the age of 21 at border city university-affiliated pediatric teaching hospitals will be reimbursed based on reasonable costs with interim payments and a year-end cost settlement. The State will utilize cost data in a manner approved by CMS consistent with the method used for identifying cost for the private hospital access payments as outlined in this Attachment 4.19-B, Page 1a.

Arkansas Medicaid will use the lesser of the reasonable costs or customary charges to establish cost settlements. The cost settlements will be calculated using the methods and standards used by the Medicare Program.

A border city university-affiliated pediatric teaching hospital is defined as a hospital located within a bordering city (see Attachment 4.19-A page 3b) that submits to the Arkansas Medicaid Program a copy of a current and effective affiliation agreement with an accredited university, and documentation establishing that the hospital is university-affiliated, is licensed and designated as a pediatric hospital or pediatric primary hospital within its home state, maintains at least five different intern pediatric specialty training programs, and maintains at least one-hundred (100) operated beds dedicated exclusively for the treatment of patients under the age of 21.

(7) Effective for claims with dates of service on or after June 1, 2022, all Arkansas hospitals shall be paid based on 100% of the Medicare average comprehensive payment rate as of June 1, 2022 for the vagus nerve stimulation therapy, device and procedure. All rates are published on the agency’s website. Except as otherwise noted in the plan, state developed fee schedules are the same for both governmental and private providers.