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State/Territory Name: Arkansas

State Plan Amendment (SPA) AR: 22-0002

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
Financial Management Group

May 25, 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 22-0002

Dear Ms. Stehle:

We have reviewed the proposed Arkansas State Plan Amendment (SPA) to Attachment 4.19-B, AR 22-0002, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 14, 2022. This plan amendment intends to remove non-emergency ambulance services from the exceptions to the emergency medical transportation payments.

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
Non-emergency ambulance service is being removed from the exceptions to emergency medical transportation payments.
23. Any other medical care and any other type of remedial care recognized under State law, specified by the Secretary.

a. Transportation (Continued)

(2) Air Ambulance (continued)

Pediatric Hospitals

1. Helicopter Ambulance: Effective for dates of service occurring August 15, 2001 and after, helicopter ambulance services provided by instate pediatric hospitals will be reimbursed based on reasonable costs with interim payments and year-end cost settlement. Interim payments are made at the lesser of the amount billed or the Title XIX (Medicaid) charge allowed. Arkansas Medicaid will use the lesser of the reasonable costs or customary charges as determined from the hospital’s submitted cost report to establish cost settlements. The cost settlements will be calculated using the methods and standards used by the Medicare Program. Methods and standards refer to the allocation of costs on the cost report and do not include any current or future Medicare reimbursement limits for this particular service.

(3) Emergency Medical Transportation Access Payment

1. Effective for dates of service on or after April 1, 2020, qualifying medical transportation providers within the State of Arkansas; except for volunteer ambulance services, ambulance services owned by the state or county and political subdivisions, air ambulance services, specialty hospital based ambulance services, and ambulance services subject to the state’s assessment on the revenue of hospitals; shall be eligible to receive emergency medical transportation access payments. All emergency medical transportation providers that meet this definition will be referred to as Qualified Emergency Medical Transportation (QEMT) providers for purpose of this section.

2. Payment Methodology

(A) The emergency medical transportation access payment to each QEMT shall be calculated on an annual basis and paid out quarterly. The access payment will be eighty percent (80%) of the difference between Medicaid payments otherwise made to QEMTs for the provision of emergency medical transportation services and the average amount that would have been paid at the equivalent community rate (hereinafter, average commercial rate or ACR).

(1) The Division shall align the paid Medicaid claims for each QEMT with the Medicare fees (Medicare Fee Schedule – Urban) for each healthcare common procedure coding system (HCPCS) or current procedure terminology (CPT) code and calculate the Medicare payment for those claims.