

## **Table of Contents**

**State/Territory Name: Arkansas**

**State Plan Amendment (SPA) #: 22-0015**

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

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, Maryland 21244-1850



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August 24, 2022

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

Re: Arkansas State Plan Amendment (SPA) 22-0015

Dear Ms. Stehle:

We have reviewed the proposed amendment to add section 7.4 Medicaid Disaster Relief for the COVID-19 National Emergency to your Medicaid state plan, as submitted under transmittal number (TN) 22-0015. This amendment proposes to implement temporary policies, which are different from those policies and procedures otherwise applied under your Medicaid state plan, during the period of the Presidential and Secretarial emergency declarations related to the COVID-19 outbreak (or any renewals thereof).

On March 13, 2020, the President of the United States issued a proclamation that the COVID-19 outbreak in the United States constitutes a national emergency by the authorities vested in him by the Constitution and the laws of the United States, including sections 201 and 301 of the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and consistent with section 1135 of the Social Security Act (Act). On March 13, 2020, pursuant to section 1135(b) of the Act, the Secretary of the United States Department of Health and Human Services invoked his authority to waive or modify certain requirements of titles XVIII, XIX, and XXI of the Act as a result of the consequences of the COVID-19 pandemic, to the extent necessary, as determined by the Centers for Medicare & Medicaid Services (CMS), to ensure that sufficient health care items and services are available to meet the needs of individuals enrolled in the respective programs and to ensure that health care providers that furnish such items and services in good faith, but are unable to comply with one or more of such requirements as a result of the COVID-19 pandemic, may be reimbursed for such items and services and exempted from sanctions for such noncompliance, absent any determination of fraud or abuse. This authority took effect as of 6PM Eastern Standard Time on March 15, 2020, with a retroactive effective date of March 1, 2020. The emergency period will terminate, and this state plan provision will no longer be in effect, upon termination of the public health emergency, including any extensions.

Pursuant to section 1135(b)(5) of the Act, for the period of the public health emergency, CMS is modifying the requirement at 42 C.F.R. 430.20 that the state submit SPAs related to the COVID-

19 public health emergency by the final day of the quarter, to obtain a SPA effective date during the quarter, enabling SPAs submitted after the last day of the quarter to have an effective date in a previous quarter, but no earlier than the effective date of the public health emergency.

The State of Arkansas also requested a waiver of public notice requirements applicable to the SPA submission process. Pursuant to section 1135(b)(1)(C) of the Act, CMS is waiving public notice requirements applicable to the SPA submission process. Public notice for SPAs is required under 42 C.F.R. §447.205 for changes in statewide methods and standards for setting Medicaid payment rates, 42 C.F.R. §447.57 for changes to premiums and cost sharing, and 42 C.F.R. §440.386 for changes to Alternative Benefit Plans (ABPs). Pursuant to section 1135(b)(1)(C), CMS is approving the state's request to waive these notice requirements otherwise applicable to SPA submissions.

These waivers or modifications of the requirements related to SPA submission timelines and public notice apply only with respect to SPAs that meet the following criteria: (1) the SPA provides or increases beneficiary access to items and services related to COVID-19 (such as by waiving or eliminating cost sharing, increasing payment rates or amending ABPs to add services or providers); (2) the SPA does not restrict or limit payment or services or otherwise burden beneficiaries and providers; and (3) the SPA is temporary, with a specified sunset date that is not later than the last day of the declared COVID-19 public health emergency (or any extension thereof). We nonetheless encourage states to make all relevant information about the SPA available to the public so they are aware of the changes.

We conducted our review of your submittal according to the statutory requirements at section 1902(a) of the Act and implementing regulations. This letter is to inform you that Arkansas' Medicaid SPA Transmittal Number 22-0015 is approved effective October 1, 2021. This SPA is in addition to all previous approved Disaster Relief SPAs, and does not supersede anything approved in those SPAs.

Enclosed is a copy of the CMS-179 summary form and the approved state plan pages.

Please contact Michala Walker at 816-426-6503 or by email at [Michala.walker@cms.hhs.gov](mailto:Michala.walker@cms.hhs.gov) if you have any questions about this approval. We appreciate the efforts of you and your staff in responding to the needs of the residents of the State of Arkansas and the health care community.

Sincerely,

Alissa M.  
Deboy -S

Digitally signed by Alissa  
M. Deboy -S  
Date: 2022.08.24  
08:57:42 -04'00'

Alissa Mooney DeBoy  
On Behalf of Anne Marie Costello, Deputy Director  
Center for Medicaid and CHIP Services

Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>  <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER <b>2 2 — 0 0 1 5</b>	2. STATE <b>A R</b>
	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE <b>10/1/21</b>	
5. FEDERAL STATUTE/REGULATION CITATION  <b>Title XIX of the Social Security Act</b>	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2022</u> \$ <u>5,081,861</u> b. FFY <u>2023</u> \$ <u>7,191,870</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  <b>7.4</b>	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  <b>New</b>	

9. SUBJECT OF AMENDMENT

The provisions of this Disaster SPA are:

- 1) ~~Revise the appeals process for 1915i PASSE service adverse action appeal process, effective August 1, 2022.~~
- 2) Increase the per day rate for Therapeutic Communities for dates of service from October 1, 2021.

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:

1. [REDACTED] 1. [REDACTED] David Jones for Elizabeth Pittman 13. TITLE Assistant Director, Division of Medical Services 14. DATE SUBMITTED June 2, 2022	15. RETURN TO  Office of Rules Promulgation PO Box 1437, Slot S295 Little Rock, AR 72203-1437  Attn: Mac Golden
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**FOR CMS USE ONLY**

16. DATE RECEIVED <b>06/02/2022</b>	17. DATE APPROVED <b>August 24, 2022</b>
<b>PLAN APPROVED - ONE COPY ATTACHED</b>	
18. EFFECTIVE DATE OF APPROVED MATERIAL <b>10/01/2021</b>	19. SIGNATURE OF APPROVING OFFICIAL Alissa M. Deboy -S <small>Digitally signed by Alissa M. Deboy -S Date: 2022.08.24 08:58:13 -04'00'</small>
20. TYPED NAME OF APPROVING OFFICIAL <b>Alissa Mooney DeBoy</b>	21. TITLE OF APPROVING OFFICIAL <b>On Behalf of Anne Marie Costello, Deputy Director Center for Medicaid and CHIP Services</b>

22. REMARKS

**Box 9: State authorized pen and ink change on 08/17/2022.**

**Section 7 – General Provisions**  
**7.4. Medicaid Disaster Relief for the COVID-19 National Emergency**

On March 13, 2020, the President of the United States issued a proclamation that the COVID-19 outbreak in the United States constitutes a national emergency by the authorities vested in him by the Constitution and the laws of the United States, including sections 201 and 301 of the National Emergencies Act (50 U.S.C. 1601 et seq.), and consistent with section 1135 of the Social Security Act (Act). On March 13, 2020, pursuant to section 1135(b) of the Act, the Secretary of the United States Department of Health and Human Services invoked his authority to waive or modify certain requirements of titles XVIII, XIX, and XXI of the Act as a result of the consequences COVID-19 pandemic, to the extent necessary, as determined by the Centers for Medicare & Medicaid Services (CMS), to ensure that sufficient health care items and services are available to meet the needs of individuals enrolled in the respective programs and to ensure that health care providers that furnish such items and services in good faith, but are unable to comply with one or more of such requirements as a result of the COVID-19 pandemic, may be reimbursed for such items and services and exempted from sanctions for such noncompliance, absent any determination of fraud or abuse. This authority took effect as of 6PM Eastern Standard Time on March 15, 2020, with a retroactive effective date of March 1, 2020. The emergency period will terminate, and waivers will no longer be available, upon termination of the public health emergency, including any extensions.

The State Medicaid agency (agency) seeks to implement the policies and procedures described below, which are different than the policies and procedures otherwise applied under the Medicaid state plan, during the period of the Presidential and Secretarial emergency declarations related to the COVID-19 outbreak (or any renewals thereof), or for any shorter period described below:

The provisions of this Disaster SPA are:

1) Increase the published rate for Therapeutic Communities for all programs that cover the service and utilize that code. The state has agreed to retrospectively apply the increase starting October 1, 2021.

These provisions will last through the end of the Federal Public Health Emergency.

NOTE: States may not elect a period longer than the Presidential or Secretarial emergency declaration (or any renewal thereof). States may not propose changes on this template that restrict or limit payment, services, or eligibility, or otherwise burden beneficiaries and providers.

**Request for Waivers under Section 1135**

xxx The agency seeks the following under section 1135(b)(1)(C) and/or section 1135(b)(5) of the Act:

- a. X SPA submission requirements – the agency requests modification of the requirement to submit the SPA by March 31, 2020, to obtain a SPA effective date during the first calendar quarter of 2020, pursuant to 42 CFR 430.20.

TN: AR 22-0015  
Supersedes TN: New

Approval Date: 08/24/2022  
Effective Date: 10/01/2021

This SPA is in addition to all previous approved Disaster Relief SPAs, and does not supersede anything approved in those SPAs.

State/Territory: Arkansas

- b. xxx Public notice requirements – the agency requests waiver of public notice requirements that would otherwise be applicable to this SPA submission. These requirements may include those specified in 42 CFR 440.386 (Alternative Benefit Plans), 42 CFR 447.57(c) (premiums and cost sharing), and 42 CFR 447.205 (public notice of changes in statewide methods and standards for setting payment rates).
- c. \_\_\_\_\_ Tribal consultation requirements – the agency requests modification of tribal consultation timelines specified in [insert name of state] Medicaid state plan, as described below:

*Please describe the modifications to the timeline.*

**Section A – Eligibility**

- 1. \_\_\_\_\_ The agency furnishes medical assistance to the following optional groups of individuals described in section 1902(a)(10)(A)(ii) or 1902(a)(10)(c) of the Act. This may include the new optional group described at section 1902(a)(10)(A)(ii)(XXIII) and 1902(ss) of the Act providing coverage for uninsured individuals.

*Include name of the optional eligibility group and applicable income and resource standard.*

- 2. \_\_\_\_\_ The agency furnishes medical assistance to the following populations of individuals described in section 1902(a)(10)(A)(ii)(XX) of the Act and 42 CFR 435.218:

- a. \_\_\_\_\_ All individuals who are described in section 1905(a)(10)(A)(ii)(XX)

Income standard: \_\_\_\_\_

-or-

- b. \_\_\_\_\_ Individuals described in the following categorical populations in section 1905(a) of the Act:

\_\_\_\_\_

Income standard: \_\_\_\_\_

- 3. \_\_\_\_\_ The agency applies less restrictive financial methodologies to individuals excepted from financial methodologies based on modified adjusted gross income (MAGI) as follows.

TN: \_AR 22-0015\_\_\_\_\_  
Supersedes TN: \_New\_\_\_\_\_

Approval Date: 08/24/2022  
Effective Date: 10/01/2021

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State/Territory: Arkansas

Less restrictive income methodologies:

Less restrictive resource methodologies:

4. \_\_\_\_ The agency considers individuals who are evacuated from the state, who leave the state for medical reasons related to the disaster or public health emergency, or who are otherwise absent from the state due to the disaster or public health emergency and who intend to return to the state, to continue to be residents of the state under 42 CFR 435.403(j)(3).
  
5. \_\_\_\_ The agency provides Medicaid coverage to the following individuals living in the state, who are non-residents:

6. \_\_\_\_ The agency provides for an extension of the reasonable opportunity period for non-citizens declaring to be in a satisfactory immigration status, if the non-citizen is making a good faith effort to resolve any inconsistencies or obtain any necessary documentation, or the agency is unable to complete the verification process within the 90-day reasonable opportunity period due to the disaster or public health emergency.

**Section B – Enrollment**

1. \_\_\_\_ The agency elects to allow hospitals to make presumptive eligibility determinations for the following additional state plan populations, or for populations in an approved section 1115 demonstration, in accordance with section 1902(a)(47)(B) of the Act and 42 CFR 435.1110, provided that the agency has determined that the hospital is capable of making such determinations.

*Please describe the applicable eligibility groups/populations and any changes to reasonable limitations, performance standards or other factors.*

TN: \_AR 22-0015\_\_\_\_\_  
Supersedes TN: \_New\_\_\_\_\_

Approval Date: 08/24/2022  
Effective Date: 10/01/2021

This SPA is in addition to all previous approved Disaster Relief SPAs, and does not supersede anything approved in those SPAs.

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2. \_\_\_\_ The agency designates itself as a qualified entity for purposes of making presumptive eligibility determinations described below in accordance with sections 1920, 1920A, 1920B, and 1920C of the Act and 42 CFR Part 435 Subpart L.

*Please describe any limitations related to the populations included or the number of allowable PE periods.*

3. \_\_\_\_ The agency designates the following entities as qualified entities for purposes of making presumptive eligibility determinations or adds additional populations as described below in accordance with sections 1920, 1920A, 1920B, and 1920C of the Act and 42 CFR Part 435 Subpart L. Indicate if any designated entities are permitted to make presumptive eligibility determinations only for specified populations.

*Please describe the designated entities or additional populations and any limitations related to the specified populations or number of allowable PE periods.*

4. \_\_\_\_ The agency adopts a total of \_\_\_\_ months (not to exceed 12 months) continuous eligibility for children under age enter age \_\_\_\_ (not to exceed age 19) regardless of changes in circumstances in accordance with section 1902(e)(12) of the Act and 42 CFR 435.926.
5. \_\_\_\_ The agency conducts redeterminations of eligibility for individuals excepted from MAGI-based financial methodologies under 42 CFR 435.603(j) once every \_\_\_\_ months (not to exceed 12 months) in accordance with 42 CFR 435.916(b).
6. \_\_\_\_ The agency uses the following simplified application(s) to support enrollment in affected areas or for affected individuals (a copy of the simplified application(s) has been submitted to CMS).
- a. \_\_\_\_ The agency uses a simplified paper application.
  - b. \_\_\_\_ The agency uses a simplified online application.
  - c. \_\_\_\_ The simplified paper or online application is made available for use in call-centers or other telephone applications in affected areas.

### Section C – Premiums and Cost Sharing

1. \_\_ The agency suspends deductibles, copayments, coinsurance, and other cost sharing charges as follows:

TN: \_AR 22-0015\_\_\_\_\_

Supersedes TN: \_New\_\_\_\_\_

Approval Date: 08/24/2022

Effective Date: 10/01/2021

This SPA is in addition to all previous approved Disaster Relief SPAs, and does not supersede anything approved in those SPAs.



State/Territory: Arkansas

2. \_\_\_\_ The agency suspends enrollment fees, premiums and similar charges for:
  - a. \_\_\_\_ All beneficiaries
  - b. \_\_\_\_ The following eligibility groups or categorical populations:

*Please list the applicable eligibility groups or populations.*

3. \_\_\_\_ The agency allows waiver of payment of the enrollment fee, premiums and similar charges for undue hardship.

*Please specify the standard(s) and/or criteria that the state will use to determine undue hardship.*

#### Section D – Benefits

##### Benefits:

1. \_\_ The agency adds the following optional benefits in its state plan (include service descriptions, provider qualifications, and limitations on amount, duration or scope of the benefit):

2. \_\_ The agency makes the following adjustments to benefits currently covered in the state plan:

3. \_\_ The agency assures that newly added benefits or adjustments to benefits comply with all applicable statutory requirements, including the statewide requirements found at 1902(a)(1), comparability requirements found at 1902(a)(10)(B), and free choice of provider requirements found at 1902(a)(23).

4. \_\_ Application to Alternative Benefit Plans (ABP). The state adheres to all ABP provisions in 42 CFR Part 440, Subpart C. This section only applies to states that have an approved ABP(s).

- a. \_\_ The agency assures that these newly added and/or adjusted benefits will be made available to individuals receiving services under ABPs.

- b. \_\_\_\_ Individuals receiving services under ABPs will not receive these newly added and/or adjusted benefits, or will only receive the following subset:

TN: \_AR 22-0015\_\_\_\_\_

Supersedes TN: \_New\_\_\_\_\_

Approval Date: 08/24/2022

Effective Date: 10/01/2021

This SPA is in addition to all previous approved Disaster Relief SPAs, and does not supersede anything approved in those SPAs.

State/Territory: Arkansas

*Please describe.*

*Telehealth:*

5. \_\_\_ The agency utilizes telehealth in the following manner, which may be different than outlined in the state's approved state plan:

*Drug Benefit:*

6. \_\_\_ The agency makes the following adjustments to the day supply or quantity limit for covered outpatient drugs. The agency should only make this modification if its current state plan pages have limits on the amount of medication dispensed.
7. \_\_\_ Prior authorization for medications is expanded by automatic renewal without clinical review, or time/quantity extensions.
8. \_\_\_ The agency makes the following payment adjustment to the professional dispensing fee when additional costs are incurred by the providers for delivery. States will need to supply documentation to justify the additional fees.

*Please describe the manner in which professional dispensing fees are adjusted.*

9. \_\_\_ The agency makes exceptions to their published Preferred Drug List if drug shortages occur. This would include options for covering a brand name drug product that is a multi-source drug if a generic drug option is not available.

**Section E – Payments**

*Optional benefits described in Section D:*

1. \_\_\_ Newly added benefits described in Section D are paid using the following methodology:
- a. \_\_\_ Published fee schedules –

Effective date (enter date of change):

TN: \_AR 22-0015\_\_\_\_\_  
Supersedes TN: \_New\_\_\_\_\_

Approval Date: 08/24/2022  
Effective Date: 10/01/2021

This SPA is in addition to all previous approved Disaster Relief SPAs, and does not supersede anything approved in those SPAs.

State/Territory: Arkansas

Location (list published location):

b.  Other:

*Increases to state plan payment methodologies:*

2.  The agency increases payment rates for the following services:

**Therapeutic Communities**

a.  Payment increases are targeted based on the following criteria:

A rate analysis of facility-based adult behavioral health services was conducted in the fall of 2021, and it was determined at that time that the current therapeutic communities' rates were not sufficient to reimburse providers for the cost of providing the service. To establish a sufficient rate, the State looked at a similar service, inpatient services at the Arkansas State Hospital, and adjusted for differences in clinical intensity, staffing ratios, educational requirements, and service frequency.

Rates were set as a percentage of Arkansas State Hospital Rates, as follows:

- Therapeutic Community, Level 1: 70% of the ASH Rate
- Therapeutic Community, Level 2: 50% of the ASH Rate

b. Payments are increased through:

i.  A supplemental payment or add-on within applicable upper payment limits:

ii.  An increase to rates as described below.

Rates are increased:

Uniformly by the following percentage:

Through a modification to published fee schedules –

Effective date (enter date of change): October 1, 2021- End of Public Health Emergency

Location (list published location):

TN: AR 22-0015

Supersedes TN: New

Approval Date: 08/24/2022

Effective Date: 10/01/2021

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<https://humanservices.arkansas.gov/divisions-shared-services/medical-services/helpful-information-for-providers/fee-schedules/>

Up to the Medicare payments for equivalent services.

By the following factors:

Effective October 1 through the end of the PHE therapeutic Community rates are:

Therapeutic Community, Level 1: \$500.00 per day

Therapeutic Community, Level 2: \$358.00 per day

*Payment for services delivered via telehealth:*

3.  For the duration of the emergency, the state authorizes payments for telehealth services that:

- a.  Are not otherwise paid under the Medicaid state plan;
- b.  Differ from payments for the same services when provided face to face;
- c.  Differ from current state plan provisions governing reimbursement for telehealth;

d.  Include payment for ancillary costs associated with the delivery of covered services via telehealth, (if applicable), as follows:

- i.  Ancillary cost associated with the originating site for telehealth is incorporated into fee-for-service rates.
- ii.  Ancillary cost associated with the originating site for telehealth is separately reimbursed as an administrative cost by the state when a Medicaid service is delivered.

*Other:*

4.  Other payment changes:

#### **Section F – Post-Eligibility Treatment of Income**

1.  The state elects to modify the basic personal needs allowance for institutionalized individuals. The basic personal needs allowance is equal to one of the following amounts:

TN: AR 22-0015

Approval Date: 08/24/2022

Supersedes TN: New

Effective Date: 10/01/2021

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- a. \_\_\_\_ The individual's total income
  - b. \_\_\_\_ 300 percent of the SSI federal benefit rate
  - c. \_\_\_\_ Other reasonable amount: \_\_\_\_\_
2. \_\_\_\_ The state elects a new variance to the basic personal needs allowance. (Note: Election of this option is not dependent on a state electing the option described the option in F.1. above.)

The state protects amounts exceeding the basic personal needs allowance for individuals who have the following greater personal needs:

*Please describe the group or groups of individuals with greater needs and the amount(s) protected for each group or groups.*

**Section G – Other Policies and Procedures Differing from Approved Medicaid State Plan /Additional Information**

**PRA Disclosure Statement**

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148 (Expires 03/31/2021). The time required to complete this information collection is estimated to average 1 to 2 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. Your response is required to receive a waiver under Section 1135 of the Social Security Act. All responses are public and will be made available on the CMS web site. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850. \*\*\*CMS Disclosure\*\*\* Please do not send applications, claims, payments, medical records or any documents containing sensitive information to the PRA Reports Clearance Office. Please note that any correspondence not pertaining to the information collection burden approved under the associated OMB control number listed on this form will not be reviewed, forwarded, or retained. If you have questions or concerns regarding where to submit your documents, please contact the Centers for Medicaid & CHIP Services at 410-786-3870.

TN: \_AR 22-0015\_\_\_\_\_  
Supersedes TN: \_New\_\_\_\_\_

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