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State/Territory Name: Arkansas

State Plan Amendment (SPA) AR: 22-0019

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
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

December 19, 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 22-0019

Dear Ms. Stehle:

We have reviewed the proposed Arkansas State Plan Amendment (SPA) to Attachment 4.19-B, AR-22-0019, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on October 13, 2022. This SPA updates reimbursement for prosthetic and orthotic supplies.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2023. 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	1. TRANSMITTAL NUMBER <u>2 2 — 2 0 1 9</u>	2. STATE <u>AR</u>
	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 January 1, 2023	
5. FEDERAL STATUTE/REGULATION CITATION 1905(a)(12)	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2023</u> \$ <u>1,326,761</u> b. FFY <u>2024</u> \$ <u>1,769,014</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 3.1-A Page 3c Attachment 3.1-A Page 5c Attachment 3.1-B Page 3e Attachment 3.1-B Page 5b Attachment 4.19-B Page 4c	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) 3.1-A Page 3c, Approved 4/17/02, TN# AR 02-10 3.1-A Page 5c, Approved 4/15/02, TN# AR 02-09 3.1-B Page 3e, Approved 4/17/02, TN# AR 02-10 3.1-B Page 5b, Approved 4/15/02, TN# AR 02-09 4.19-B Page 4c, Approved 9/26/26, TN# AR 06-05 9/26/06	

9. SUBJECT OF AMENDMENT
 Current procedure code and rate review were requested by the Division of Medical Services (DMS). The review reflected outdated procedure codes and rates for reimbursement. The purpose of the State Plan Amendment (SPA) is to improve alignment of Prosthetic/Orthotic supplies with current Medicare codes and rates for reimbursement. Medicaid will reimburse ninety (90) percent of the current Medicare Arkansas non-rural rate. A rural rate will not be applied. Codes that do not have a Medicare comparable code or rate will be reimbursed at eighty (80) percent of the Arkansas Blue Cross/Blue Shield (BCBS) rate unless manual pricing is otherwise documented using the provider invoice. The changes will allow an update of rates and align with Medicare codes to assist and improve Medicare crossover billing.

10. 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

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Office of Rules Promulgation PO Box 1437, Slot S295 Little Rock, AR 72203-1437 Attn: Mac Golden
12. TYPED NAME Elizabeth Pitman	
13. TITLE Director, Division of Medical Services	
14. DATE SUBMITTED 10/13/2022	

FOR CMS USE ONLY

16. DATE RECEIVED October 13, 2022	17. DATE APPROVED December 19, 2022
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL January 1, 2023	19. SIGNATURE OF APPROVING OFFICIAL
20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion	21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review

22. REMARKS
 Boxes 7 and 8: States authorized pen and ink changes on 12/8/2022.

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

Revised:

January 1, 2023

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12. Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye, or by an optometrist (Continued)
- c. Prosthetic Devices (continued)
- (6) Orthotic Appliances and Prosthetic Devices

Reimbursement is based on the lesser of the amount billed or the Title XIX (Medicaid) maximum charge allowed. State developed fee schedule rates are the same for both public and private providers of orthotic appliances and prosthetic devices.

Effective for dates of service occurring on and after September 1, 2006, reimbursement rate maximums for Medicaid covered orthotic appliances and prosthetic devices are based on one hundred percent (100%) of the 2006 DMEPOS Medicare rates.

For the following procedure codes not reflecting a rate on the 2006 DMEPOS Medicare fee schedule, reimbursement rate maximums for dates of service occurring September 1, 2006, and after, will be based on one hundred percent (100%) of the 2006 Arkansas Blue Cross/Blue Shield rate:

A5510 = \$30.28, L0452 = \$263.81, L3202 = \$51.21, L3204 = \$50.12, L3206 = \$51.93, L3207 = \$52.67, L3208 = \$28.58, L3209 = \$39.53, L3211 = \$42.11, L3215 = \$93.94, L3216 = \$113.29, L3219 = \$105.26, L3221 = \$126.00, L3222 = \$139.22, L3230 = \$163.33, L3250 = \$331.47, L3253 = \$44.64, L3257 = \$32.95, L3265 = \$20.54, L3902 = \$1,980.19, L4205 = \$35.00, L4210 = \$28.27, L7500 = \$67.55, L7520 = \$15.00

Effective for dates of service on or after January 1, 2023, reimbursement rate maximums for orthotic appliances and prosthetic devices will be set at ninety percent (90%) of the January 1, 2022 Medicare non-rural rate for the State of Arkansas. For orthotic and prosthetic codes not listed on the Medicare fee schedule, reimbursement rate maximums for dates of service on or after January 1, 2023, will be set at eighty percent (80%) of the January 1, 2022, Arkansas Blue Cross/Blue Shield rate. For orthotic and prosthetic codes not listed on the Medicare fee schedule or the Arkansas Blue Cross/Blue Shield fee schedule, the reimbursement rate will be calculated using the manufacturer's invoice price plus ten percent (10%).

All rates are published on the agency's website [Fee Schedules - Arkansas Department of Human Services](#). Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers.