

## **Table of Contents**

**State/Territory Name: Arkansas**

**State Plan Amendment (SPA) AR: 23-0002**

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

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

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



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**Financial Management Group**

December 14, 2023

Janet Mann  
Deputy Secretary for Programs and State Medicaid Director  
Arkansas Department of Human Services  
112 West 8<sup>th</sup> Street, Slot S401  
Little Rock, AR 72201-4608

RE: TN 23-0002

Dear Deputy Secretary Mann:

We have reviewed the proposed Arkansas State Plan Amendment (SPA) to Attachment 4.19-B, AR-23-0002, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on October 12, 2023. This SPA increases Outpatient Behavioral Health and Individual Counseling rates.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

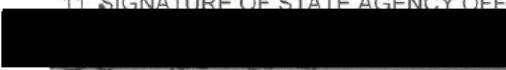

If you have any additional questions or need further assistance, please contact Robert Bromwell at 410-786-5914 or [Robert.bromwell@cms.hhs.gov](mailto:Robert.bromwell@cms.hhs.gov).

Sincerely,

A solid black rectangular box redacting the signature of Todd McMillion.

Todd McMillion  
Director  
Division of Reimbursement Review

Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER <u>2</u> <u>3</u> — <u>0</u> <u>0</u> <u>0</u> <u>2</u>	2. STATE <u>A</u> <u>R</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 <u>1/1/2024</u>	
5. FEDERAL STATUTE/REGULATION CITATION <u>42 CFR 440.130(d)</u>		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2024</u> \$ <u>3,899,141</u> b. FFY <u>2025</u> \$ <u>5,198,855</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  <u>Att. 4.19-B, page 1rrr</u> <u>Att. 4.19-B, page 5aa</u> <u>Att. 4.19-B, page 5aaa</u>		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  <u>Same, Supersedes 16-0008; App. 3/19/2018</u> <u>Same, Supersedes 16-0008; App. 3/19/2018</u> <u>NEW</u>	
9. SUBJECT OF AMENDMENT  <u>Outpatient Behavioral Health rates are rebalanced against Medicare. Also, individual counseling rates that were increased during the PHE are made permanent.</u>			
10. GOVERNOR'S REVIEW (Check One)  <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> 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 <u>Elizabeth Pitman</u>			
13. TITLE <u>Director, Division of Medical Services</u>			
14. DATE SUBMITTED <u>10-12-23</u>			
<b>FOR CMS USE ONLY</b>			
16. DATE RECEIVED <u>October 12, 2023</u>		17. DATE APPROVED <u>December 14, 2023</u>	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
18. EFFECTIVE DATE OF APPROVED MATERIAL <u>January 1, 2024</u>		19. SIGNATURE OF APPROVING OFFICIAL 	
20. TYPED NAME OF APPROVING OFFICIAL <u>Todd McMillion</u>		21. TITLE OF APPROVING OFFICIAL <u>Director, Division of Reimbursement Review</u>	
22. REMARKS			

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

January 1, 2024

- 4.b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age and Treatment of Conditions Found (Continued)

**Outpatient Behavioral Health Services**

The fee schedule was set as of July 1, 2017 and is effective for services provided on or after this date. Except as noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of behavioral health services. Based on the information gained from the peer state analysis and the consideration of adjustment factors such as Bureau of Labor Statistics (BLS) along with Geographic Pricing Cost Index (GPCI) to account for economic differences, the state was able to select appropriate rates from fee schedules published by peer states. Once this rate information was filtered according to Arkansas requirements a “state average rate” was developed. This “state average rate” consisting of the mean from every peer state’s published rate for a given procedure served as the base rate for the service, which could then be adjusted by previous mentioned factors (BLS), (GPCI) etc.

Effective January 1, 2024, the following services will be set to pay eighty percent (80%) of the 2022 Medicare non-rural rate for the State of Arkansas:

- Individual Behavioral Health Counseling;
- Marital or Family Behavioral Health Counseling without Beneficiary Present;
- Marital or Family Behavioral Health Counseling with Beneficiary Present; and
- Mental Health Diagnosis.

Effective January 1, 2024, the following services will be adjusted to pay one hundred percent (100%) of the 2022 Medicare non-rural rate for the State of Arkansas:

- Group Behavioral Health Counseling; and
- Multi-Family Behavioral Health Counseling.

All rates are published on the agency’s website: [Fee Schedules - Arkansas Department of Human Services](#)

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

January 1, 2024

13. Other diagnostic, screening, preventive and rehabilitative services, i.e., other than those provided elsewhere in this plan. (Continued)

**Outpatient Behavioral Health Services**

The fee schedule was set as of July 1, 2017, and is effective for services on or after this date. Rates for services provided under the Residential Community Reintegration Program are effective for dates of service on or after October 1, 2017. Except as noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of behavioral health services. Based on the information gained from the peer state analysis and the consideration of adjustment factors such as Bureau of Labor Statistics (BLS) along with Geographic Pricing Cost Index (GPCI) to account for economic differences, the state was able to select appropriate rates from fee schedules published by peer states. Once this rate information was filtered according to Arkansas requirements a "state average rate" was developed. This "state average rate" consisting of the mean from every peer state's published rate for a given procedure served as the base rate for the service, which could then be adjusted by previous mentioned factors (BLS), (GPCI) etc.

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

January 1, 2024

13. Other diagnostic, screening, preventive and rehabilitative services, i.e., other than those provided elsewhere in this plan. (Continued)

**Acute Crisis Units**

The fee schedule was set as of July 1, 2017 and is effective for services provided on or after this date. Except as noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of behavioral health services. The fee schedule can be accessed at [Fee Schedules - Arkansas Department of Human Services](#). Effective for dates of service on or after July 1, 2017, reimbursement for Acute Crisis Unit is based on prospective rate of \$350.00 per day with no cost settlement and no budget submission necessary for all certified Acute Crisis Unit providers. No room and board costs, or other unallowable facility costs, are built into the daily rate. Based on the information gained from the peer state analysis and the consideration of adjustment factors such as Bureau of Labor Statistics (BLS) along with Geographic Pricing Cost Index (GPCI) to account for economic differences, the state was able to select appropriate rates from fee schedules published by peer states. Once this rate information was filtered according to Arkansas requirements a “state average rate” was developed. This “state average rate” consisting of the mean from every peer state’s published rate for a given procedure served as the base rate for the service, which could then be adjusted by previous mentioned factors (BLS), (GPCI) etc.

Each provider furnishing this service must keep any records necessary to disclose the extent of services the provider furnishes to beneficiaries and, on request, furnish the Medicaid agency any information maintained and any information regarding payments claimed by the provider for furnishing this service. The Division of Provider Services and Quality Assurance (DPSQA), in conjunction with the State’s contracted review entity, will provide ongoing monitoring to assure that services provided under the bundled rate are of the type, quantity and intensity of services required to meet the medical need of beneficiaries.

TN: 23-0002

Approval Date: December 14, 2023 Effective Date: 01/01/2024

Supersedes: NEW