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State/Territory Name: Arkansas

State Plan Amendment (SPA) #: 23-0007

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS Form 179
- 3) Approved SPA Page

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



May 11, 2023

Janet Mann
Director of Health and Medicaid Director
Arkansas Department of Human Services
112 West 8th Street, Slot S401
Little Rock, AR 72201-4608

Re: Arkansas State Plan Amendment (SPA) AR-23-0007

Dear Director Mann:

The Centers for Medicare & Medicaid Services (CMS) reviewed the proposed Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) AR-23-0007. This amendment proposes to temporarily extend Therapeutic Community Rates originally approved in Disaster Relief SPA AR-22-0015 with the following modifications: Effective May 12, 2023 through December 31, 2023, the rates will reflect Therapeutic Community, Level 1 at \$500.00 per day and Therapeutic Community, Level 2 at \$358.00 per day.

CMS conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations. This letter is to inform you that Arkansas' Medicaid SPA Transmittal Number AR-23-0007 is approved effective May 12, 2023.

If you have any questions, please contact Lee Herko at 570-230-4048 or via email at lee.herko@cms.hhs.gov if you have any questions about this approval.


Sincerely,

Alissa M.
Deboy -S

Digitally signed by Alissa
M. Deboy -S
Date: 2023.05.11
08:19 36 -04'00'

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

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u>2 3 — 0 0 0 7</u>	2. STATE <u>A 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 May 12, 2023	
5. FEDERAL STATUTE/REGULATION CITATION <u>Title XIX of the SSA</u>	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2023</u> \$ <u>0</u> b. FFY <u>2024</u> \$ <u>0</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT 7.4-B C	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) New	
9. SUBJECT OF AMENDMENT Extension of SPA 22-0015 without changes for temporary Therapeutic Community rate increases		
10. GOVERNOR'S REVIEW (Check One) <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <input type="checkbox"/> OTHER, AS SPECIFIED:		
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. FULL NAME Elizabeth Pitman		
13. TITLE Director, Division of Medical Services		
14. DATE SUBMITTED <u>3/31/2023</u>		
FOR CMS USE ONLY		
16. DATE RECEIVED March 31, 2023	17. DATE APPROVED May 11, 2023	
PLAN APPROVED - ONE COPY ATTACHED		
18. EFFECTIVE DATE OF APPROVED MATERIAL May 12, 2023	19. SIGNATURE OF APPROVING OFFICIAL Alissa M. Deboy -S <small>Digitally signed by Alissa M. Deboy -S Date: 2023.05.11 08:20:28 -04'00'</small>	
20. TYPED NAME OF APPROVING OFFICIAL Alissa Mooney DeBoy	21. TITLE OF APPROVING OFFICIAL On Behalf of Anne Marie Costello, Deputy Director, CMCS	
22. REMARKS Boxes 7 and 9: CMS made pen and ink changes per communication with state on 5/9/23.		

Section 7 General Provisions

7.4.C Temporary Extension with modification to the Disaster Relief Policies for the COVID-19 National Emergency

Effective May 12, 2023, until December 31, 2023, the agency temporarily extends the following election(s) of section 7.4 (approved on August 24, 2022, in SPA Number 22-0015) of the state plan:

Section E – Payments

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

<u>Therapeutic Communities</u>

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

<p>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.</p>

<p>Rates were set as a percentage of Arkansas State Hospital Rates, as follows:</p>

<ul style="list-style-type: none">-Therapeutic Community, Level 1: 70% of the ASH Rate
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<ul style="list-style-type: none">-Therapeutic Community, Level 2: 50% of the ASH Rate
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<p>Effective May 12, 2023, through December 31, 2023, therapeutic Community rates are: Therapeutic Community, Level 1: \$500.00 per day Therapeutic Community, Level 2: \$358.00 per day</p>
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