

QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS
WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY Department of Human Services
DIVISION Division of Medical Services
DIVISION DIRECTOR Dawn Stehle
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NAME OF PRESENTER AT COMMITTEE MEETING Mark White
PRESENTER E-MAIL Mark.White@dhs.arkansas.gov

INSTRUCTIONS

- A. Please make copies of this form for future use.
B. Please answer each question **completely** using layman terms. You may use additional sheets, if necessary.
C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
D. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
One Capitol Mall, 5th Floor
Little Rock, AR 72201

1. What is the short title of this rule? State Plan Amendment # 2015-003
2. What is the subject of the proposed rule? Arkansas Medicaid will adjust the reimbursement methodology for Ambulatory surgical centers.
3. Is this rule required to comply with a federal statute, rule, or regulation? Yes ☒ No ☐
If yes, please provide the federal rule, regulation, and/or statute citation. Act 1236 of 2015
4. Was this rule filed under the emergency provisions of the Administrative Procedure Act? Yes ☒ No ☐
If yes, what is the effective date of the emergency rule? October 23, 2015

When does the emergency rule expire?

February 20, 2016, or when the permanent rule goes into effect, whichever is earlier

Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act?

Yes ☒

No ☐

5. Is this a new rule? Yes ☐ No ☒

If yes, please provide a brief summary explaining the regulation.

Does this repeal an existing rule? Yes ☐ No ☒

If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule?

Yes ☒

No ☐

If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. **Note: This rule increases the Arkansas Medicaid reimbursement methodology to 95% of the Medicare rate for like services in the Ambulatory Surgical Center.**

6. Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation. _____; Act 1236 of 2015

7. What is the purpose of this proposed rule? Why is it necessary? The purpose of the proposed rule is to adjust the reimbursement methodology for Ambulatory Surgical Centers. It is necessary to comply with Act 1236 of the 90th General Assembly.

8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b).

<https://www.medicaid.state.ar.us/general/comment/comment.aspx>

9. Will a public hearing be held on this proposed rule?

Yes ☐

No ☒

If yes, please complete the following:

Date: _____

Time: _____

Place: _____

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)
September 19, 2015

11. What is the proposed effective date of this proposed rule? (Must provide a date.)
October 23, 2015

12. Do you expect this rule to be controversial? Yes ☐ No ☒

If yes, please
explain.

13. Please give the names of persons, groups, or organizations that you expect to comment on these rules?
Please provide their position (for or against) if known. All known venues will be in favor of this rule

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Department of Human Services
DIVISION Division of Medical Services
PERSON COMPLETING THIS STATEMENT Brian Jones
TELEPHONE NO. 501-537-2064 **FAX NO.** 501-404-4619 **EMAIL:** Brian.Jones@dhs.arkansas.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE State Plan Amendment # 2015-003

1. Does this proposed, amended, or repealed rule have a financial impact? Yes ☒ No ☐
2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule? Yes ☒ No ☐
3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes ☒ No ☐

If an agency is proposing a more costly rule, please state the following:

- (a) How the additional benefits of the more costly rule justify its additional cost;

- (b) The reason for adoption of the more costly rule;

- (c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and;

- (d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:

- (a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

Total _____

(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue	\$ 992,453
Federal Funds	\$2,340,163
Cash Funds	
Special Revenue	
Other (Identify)	
Total	\$3,332,616

Next Fiscal Year

General Revenue	\$1,007,450
Federal Funds	\$2,325,166
Cash Funds	
Special Revenue	
Other (Identify)	
Total	\$3,332,616

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

\$ 992,453

Next Fiscal Year

\$ 1,007,450

These new reimbursement rates are based on 95% of the current 2015 Medicare Reimbursement amounts for like services. Our current reimbursement rates are based on 80% of the 2013 Medicare Reimbursement amounts.

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes ☒ No ☐

If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose; **This rule's basis and purpose is to lower the cost of care and increase access to care for Medicaid patients as required by Act 1236 of the 90th General Assembly.**

(2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute; **Implementation of the rule is required to be in compliance with Act 1236 of the 90th General Assembly.**

(3) a description of the factual evidence that:

(a) justifies the agency's need for the proposed rule; and

(b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;

The rule is necessary to comply with Act 1236 of the 90th General Assembly.

(4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;

There are no alternatives to the proposed rule.

(5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;

Not Applicable

(6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and

This rule is required by Act 1236 of the 90th General Assembly.

(7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:

(a) the rule is achieving the statutory objectives;

(b) the benefits of the rule continue to justify its costs; and

(c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

The State monitors State and Federal rules and policies for opportunities to reduce and control cost.