

1 State of Arkansas  
2 94th General Assembly  
3 Fiscal Session, 2024  
4

# A Bill

SENATE BILL 19

5 By: Joint Budget Committee  
6

## For An Act To Be Entitled

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES  
9 AND OPERATING EXPENSES FOR THE DEPARTMENT OF HUMAN  
10 SERVICES - DIVISION OF MEDICAL SERVICES FOR THE  
11 FISCAL YEAR ENDING JUNE 30, 2025; AND FOR OTHER  
12 PURPOSES.  
13  
14

## Subtitle

15 AN ACT FOR THE DEPARTMENT OF HUMAN  
16 SERVICES - DIVISION OF MEDICAL SERVICES  
17 APPROPRIATION FOR THE 2024-2025 FISCAL  
18 YEAR.  
19  
20  
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
23

24 SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established  
25 for the Department of Human Services - Division of Medical Services for the  
26 2024-2025 fiscal year, the following maximum number of regular employees.  
27

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2024-2025
32	(1) N249N	DHS DIVISION DIRECTOR	1	GRADE SE02
33	(2) N027N	DHS DEPUTY DIRECTOR ADULT SERVICES	1	GRADE SE01
34	(3) L016N	REGISTERED PHARMACIST	4	GRADE MP05
35	(4) L009C	NURSE MANAGER	1	GRADE MP03
36	(5) L027C	REGISTERED NURSE SUPERVISOR	3	GRADE MP02



1	(6)	L038C REGISTERED NURSE	9	GRADE MP01
2	(7)	D006N STATE SYSTEMS ARCHITECT	1	GRADE IT10
3	(8)	D007C INFORMATION SYSTEMS MANAGER	2	GRADE IT08
4	(9)	D030C INFORMATION SYSTEMS COORDINATOR	1	GRADE IT07
5	(10)	D038C SENIOR SOFTWARE SUPPORT ANALYST	1	GRADE IT06
6	(11)	D061C INFORMATION SYSTEMS COORDINATION SPEC	1	GRADE IT05
7	(12)	D058C COMPUTER OPERATIONS COORDINATOR	1	GRADE IT04
8	(13)	D068C INFORMATION SYSTEMS ANALYST	1	GRADE IT04
9	(14)	A019N DHS DEP CHIEF FIN OFFICER-MEDICAL SVCS	1	GRADE GS15
10	(15)	G286C DMS DEPUTY DIRECTOR	1	GRADE GS15
11	(16)	P077C DHS COMM & COMMUNITY ENGAGEMENT OFCR	1	GRADE GS14
12	(17)	N100N DHS/DMS ADD - MEDICAL SERVICES	1	GRADE GS14
13	(18)	N110N DHS ASST DIR CONTRACT MONITORING UNIT	1	GRADE GS13
14	(19)	N128N DHS ASST DIR QUALITY ASSURANCE	1	GRADE GS13
15	(20)	G025C ATTORNEY SUPERVISOR	1	GRADE GS12
16	(21)	N168N DHS DIR HOME & COMMUNITY BASED SVCS	1	GRADE GS12
17	(22)	A016C DHS DMS BUSINESS OPERATIONS MANAGER	8	GRADE GS12
18	(23)	G073C ATTORNEY	1	GRADE GS10
19	(24)	L010C DHS DMS MEDICAL ASSISTANCE MANAGER	4	GRADE GS10
20	(25)	G099C DHS PROGRAM ADMINISTRATOR	17	GRADE GS09
21	(26)	R021C BUDGET ANALYST	1	GRADE GS08
22	(27)	G152C DHS PROGRAM MANAGER	8	GRADE GS08
23	(28)	A081C AUDITOR	1	GRADE GS07
24	(29)	G183C DHS PROGRAM COORDINATOR	7	GRADE GS07
25	(30)	C037C ADMINISTRATIVE ANALYST	2	GRADE GS06
26	(31)	R027C BUDGET SPECIALIST	1	GRADE GS06
27	(32)	C013C MEDICAL SERVICES REPRESENTATIVE	1	GRADE GS06
28	(33)	C036C ADMINISTRATIVE REVIEW ANALYST	1	GRADE GS05
29	(34)	L070C HEALTH CARE ANALYST	4	GRADE GS05
30	(35)	C056C ADMINISTRATIVE SPECIALIST III	4	GRADE GS04
31	(36)	A098C FISCAL SUPPORT SPECIALIST	<u>1</u>	GRADE GS04
32		MAX. NO. OF EMPLOYEES	96	

33

34 SECTION 2. EXTRA HELP - OPERATIONS. There is hereby authorized, for  
 35 the Department of Human Services - Division of Medical Services for the 2024-  
 36 2025 fiscal year, the following maximum number of part-time or temporary

1 employees, to be known as "Extra Help", payable from funds appropriated  
 2 herein for such purposes: ten (10) temporary or part-time employees, when  
 3 needed, at rates of pay not to exceed those provided in the Uniform  
 4 Classification and Compensation Act, or its successor, or this act for the  
 5 appropriate classification.

6  
 7 SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated,  
 8 to the Department of Human Services, to be payable from the paying account as  
 9 determined by the Chief Fiscal Officer of the State, for personal services  
 10 and operating expenses of the Department of Human Services - Division of  
 11 Medical Services for the fiscal year ending June 30, 2025, the following:

13 ITEM	FISCAL YEAR
14 <u>NO.</u>	<u>2024-2025</u>
15 (01) REGULAR SALARIES	\$6,529,789
16 (02) EXTRA HELP	201,892
17 (03) PERSONAL SERVICES MATCHING	2,322,298
18 (04) OVERTIME	2,241
19 (05) MAINT. & GEN. OPERATION	
20 (A) OPER. EXPENSE	1,813,290
21 (B) CONF. & TRAVEL	40,099
22 (C) PROF. FEES	700,000
23 (D) CAP. OUTLAY	0
24 (E) DATA PROC.	0
25 (06) DATA PROCESSING SERVICES	<u>1,299,600</u>
26 TOTAL AMOUNT APPROPRIATED	<u>\$12,909,209</u>

27  
 28 SECTION 4. APPROPRIATION - GRANTS. There is hereby appropriated, to  
 29 the Department of Human Services, to be payable from the paying account as  
 30 determined by the Chief Fiscal Officer of the State, for grant payments of  
 31 the Department of Human Services - Division of Medical Services for the  
 32 fiscal year ending June 30, 2025, the following:

34 ITEM	FISCAL YEAR
35 <u>NO.</u>	<u>2024-2025</u>
36 (01) ARKIDS B PROGRAM	\$207,222,020

1	(02) HOSPITAL AND MEDICAL SERVICES	8,432,255,717
2	(03) PRESCRIPTION DRUGS	509,386,547
3	(04) PRIVATE NURSING HOME CARE	1,007,142,061
4	(05) CHILD AND FAMILY LIFE INSTITUTE	2,100,000
5	(06) INFANT INFIRMARY	2,588,441
6	(07) PUBLIC NURSING HOME CARE	<u>217,529,350</u>
7	TOTAL AMOUNT APPROPRIATED	<u>\$10,378,224,136</u>

8

9 SECTION 5. APPROPRIATION - NURSING HOME CLOSURE COSTS. There is hereby  
 10 appropriated, to the Department of Human Services - Division of Medical  
 11 Services, to be payable from the Long-Term Care Trust Fund, for the payment  
 12 of relocation costs of residents in long-term care facilities, maintenance  
 13 and operation of a facility pending correction of deficiencies or closure,  
 14 and reimbursement of residents for personal funds lost for the fiscal year  
 15 ending June 30, 2025, the following:

16

17	ITEM	FISCAL YEAR
18	<u>NO.</u>	<u>2024-2025</u>
19	(01) EXPENSES	<u>\$4,500,000</u>

20

21 SECTION 6. APPROPRIATION - LONG-TERM CARE FACILITY RECEIVERSHIP. There  
 22 is hereby appropriated, to the Department of Human Services, to be payable  
 23 from the Long Term Care Facility Receivership Fund Account, for the payment  
 24 of expenses of long-term care facility receivers as authorized by law of the  
 25 Department of Human Services - Division of Medical Services - Long-Term Care  
 26 Facility Receivership for the fiscal year ending June 30, 2025, the  
 27 following:

28

29	ITEM	FISCAL YEAR
30	<u>NO.</u>	<u>2024-2025</u>
31	(01) EXPENSES	<u>\$100,000</u>

32

33 SECTION 7. APPROPRIATION - NURSING HOME QUALITY GRANTS. There is  
 34 hereby appropriated, to the Department of Human Services, to be payable from  
 35 the Long-Term Care Trust Fund, for Nursing Home Quality Care Grants of the  
 36 Department of Human Services - Division of Medical Services - Nursing Home

1 Quality Grants for the fiscal year ending June 30, 2025, the following:

2

3 ITEM	FISCAL YEAR
4 <u>NO.</u>	<u>2024-2025</u>
5 (01) NURSING HOME QUALITY GRANTS AND AID	<u>\$4,000,000</u>

6

7 SECTION 8. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
8 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.  
9 MEDICAL SERVICES - GENERAL MEDICAID RATE METHODOLOGY PROVISIONS.

- 10 (a) Rates established by the Division of Medical Services for the services  
11 or programs covered by this Act shall be calculated by the methodologies  
12 approved by the Centers for Medicare and Medicaid Services (CMS). The  
13 Division of Medical Services shall have the authority to reduce or increase  
14 rates based on the approved methodology. Further, the Division of Medical  
15 Services shall have the authority to increase or decrease rates for good  
16 cause including, but not limited to: (1) Identification of provider(s) who  
17 can render needed services of equal quality at rates less than traditionally  
18 charged and who meet the applicable federal and state laws, rules and  
19 regulations pertaining to the provision of a particular service;  
20 (2) Identification that a provider or group of providers has consistently  
21 charged rates to the Arkansas Medicaid Program greater than to other  
22 purchasers of medical services of similar size;  
23 (3) The Division determines that there has been significant changes in the  
24 technology or process by which services are provided by a provider or group  
25 of providers which has affected the costs of providing services, or;  
26 (4) A severe economic downturn in the Arkansas economy which has affected the  
27 overall state budget of the Division of Medical Services.

28 The Division of Medical Services shall make available to requesting  
29 providers, the CMS's inflationary forecasts (CMS Market Basket Index). Rates  
30 established with cost of living increases based on the CMS Market Basket  
31 Index or other indices will be adjusted annually except when the state budget  
32 does not provide sufficient appropriation and funding to affect the change or  
33 portion thereof.

34 (b) Any rate methodology changes proposed by the Division of Medical  
35 Services both of a general and specific nature, shall be subject to prior  
36 approval by the Legislative Council or Joint Budget Committee.

1 Determining the maximum number of employees and the maximum amount of  
2 appropriation and general revenue funding for a state agency each fiscal year  
3 is the prerogative of the General Assembly. This is usually accomplished by  
4 delineating such maximums in the appropriation act(s) for a state agency and  
5 the general revenue allocations authorized for each fund and fund account by  
6 amendment to the Revenue Stabilization law. Further, the General Assembly has  
7 determined that the Department of Human Services – Division of Medical  
8 Services may operate more efficiently if some flexibility is provided to the  
9 Department of Human Services – Division of Medical Services authorizing broad  
10 powers under this section. Therefore, it is both necessary and appropriate  
11 that the General Assembly maintain oversight by requiring prior approval of  
12 the Legislative Council or Joint Budget Committee as provided by this  
13 section. The requirement of approval by the Legislative Council or Joint  
14 Budget Committee is not a severable part of this section. If the requirement  
15 of approval by the Legislative Council or Joint Budget Committee is ruled  
16 unconstitutional by a court of competent jurisdiction, this entire section is  
17 void.

18 The provisions of this section shall be in effect only from July 1, ~~2023~~  
19 2024 through June 30, ~~2024~~ 2025.

20  
21 SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
22 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND  
23 USAGE AUTHORIZED. The Arkansas Children’s Hospital may request the Department  
24 of Human Services - Division of Medical Services to retain in the Department  
25 of Human Services Grant Fund account an amount not to exceed \$2,100,000 from  
26 funds made available by this Act in the Child and Family Life Institute line  
27 item of the Grants appropriation to be used to match federal funds used for  
28 supplemental Medicaid payments to Arkansas Children’s Hospital. These  
29 retained funds shall not be recovered to transfer to the General Revenue  
30 Allotment Reserve Fund.

31 The provisions of this section shall be in effect only from July 1, ~~2023~~  
32 2024 through June 30, ~~2024~~ 2025.

33  
34 SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
35 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. ARKANSAS  
36 HEALTH AND OPPORTUNITY FOR ME AND ARKANSAS HEALTH INSURANCE MARKETPLACE

1 RESTRICTIONS. (a) As used in this section, "Arkansas Health and Opportunity  
2 for Me" means Arkansas Health and Opportunity for Me established under the  
3 Arkansas Health and Opportunity for Me Act of 2021, Arkansas Code § 23-61-  
4 1001 et seq.

5 (b)(1) Determining the maximum number of employees, the maximum amount  
6 of appropriation, for what purposes an appropriation is authorized, and  
7 general revenue funding for a state agency each fiscal year is the  
8 prerogative of the General Assembly.

9 (2) The purposes of subdivision (b)(1) of this section are  
10 typically accomplished by:

11 (A) Identifying the purpose in the appropriation act;

12 (B) Delineating such maximums in the appropriation act for  
13 a state agency; and

14 (C) Delineating the general revenue allocations authorized  
15 for each fund and fund account by amendment to the Revenue Stabilization Law,  
16 Arkansas Code § 19-5-101 et seq.

17 (3) It is both necessary and appropriate that the General  
18 Assembly restrict the use of appropriations authorized in this act.

19 (c)(1) Except as provided in this subsection, the Department of Human  
20 Services shall not allocate, budget, expend, or utilize any appropriation  
21 authorized by the General Assembly for the purpose of advertisement,  
22 promotion, or other activities designed to promote or encourage enrollment in  
23 the Arkansas Health Insurance Marketplace or Arkansas Health and Opportunity  
24 for Me, including without limitation:

25 (A) Unsolicited communications mailed to potential  
26 recipients;

27 (B) Television, radio, or online commercials;

28 (C) Billboard or mobile billboard advertising;

29 (D) Advertisements printed in newspapers, magazines, or  
30 other print media; and

31 (E) Internet websites and electronic media.

32 (2) This subsection does not prohibit the department from:

33 (A) Direct communications with:

34 (i) Licensed insurance agents; and

35 (ii) Persons licensed by the department;

36 (B) Solicited communications with potential recipients;

1 (C)(i) Responding to an inquiry regarding the coverage for  
2 which a potential recipient might be eligible, including without limitation  
3 providing educational materials or information regarding any coverage for  
4 which the individual might qualify.

5 (ii) Educational materials and information  
6 distributed under subdivision (c)(2)(C)(i) of this section shall contain only  
7 factual information and shall not contain subjective statements regarding the  
8 coverage for which the potential recipient might be eligible; and

9 (D) Using an Internet website for the exclusive purpose of  
10 enrolling individuals in the Arkansas Health Insurance Marketplace or  
11 Arkansas Health and Opportunity for Me.

12 (d) The Department of Human Services shall not apply for or accept any  
13 funds, including without limitation federal funds, for the purpose of  
14 advertisement, promotion, or other activities designed to promote or  
15 encourage enrollment in the Arkansas Health Insurance Marketplace or Arkansas  
16 Health and Opportunity for Me.

17 (e)(1) Except as provided in subdivision (e)(2) of this section, the  
18 Department of Human Services shall not:

19 (A)(i) Except as provided in subdivision (e)(1)(A)(ii) of  
20 this section, allocate, budget, expend, or utilize an appropriation  
21 authorized by the General Assembly for the purpose of funding activities of  
22 navigators, guides, certified application counselors, and certified licensed  
23 producers under the Arkansas Health Insurance Marketplace Navigator, Guide,  
24 and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.

25 (ii) Subdivision (e)(1)(A)(i) of this section does  
26 not apply to regulatory and training responsibilities related to navigators,  
27 guides, certified application counselors, and certified licensed producers;  
28 and

29 (B) Apply for or accept any funds, including without  
30 limitation federal funds, for the purpose of funding activities of  
31 navigators, guides, certified application counselors, and certified licensed  
32 producers under the Arkansas Health Insurance Marketplace Navigator, Guide,  
33 and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.

34 (2) Subdivision (e)(1) of this section does not apply to  
35 certified application counselors at health related institutions, including  
36 without limitation the University of Arkansas for Medical Sciences.



1 (f) An appropriation authorized by the General Assembly shall not be  
2 subject to the provisions allowed through reallocation of resources or  
3 transfer of appropriation authority for the purpose of transferring an  
4 appropriation to any other appropriation authorized for the Department of  
5 Human Services to be allocated, budgeted, expended, or utilized in a manner  
6 prohibited by this section.

7 (g) The provisions of this section are severable, and the invalidity  
8 of any subsection or subdivision of this section shall not affect other  
9 provisions of the section that can be given effect without the invalid  
10 provision.

11 (h) This section expires on June 30, ~~2024~~ 2025.

12  
13 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
14 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL  
15 SERVICES – COMMUNITY AND EMPLOYMENT SUPPORTS MEDICAID WAIVER.

16 (a) Of the funding allocated to the Department of Human Services Grants  
17 Fund Account under § 19-5-402, the first thirty-seven million six hundred  
18 thousand dollars (\$37,600,000) shall be set aside in its own subfund by the  
19 Department of Human Services and shall be used only for home and community-  
20 based services to individuals with intellectual and developmental  
21 disabilities under the Community and Employment Supports Medicaid Waiver  
22 Program or a successor Medicaid Waiver program that provides home and  
23 community-based services to individuals with intellectual and developmental  
24 disabilities.

25 (b) At the close of the fiscal year ending June 30, ~~2024~~ 2025, any  
26 unexpended balance of monies set aside as established in subsection (a)  
27 herein shall be transferred forward and made available for the same purpose  
28 for the fiscal year ending June 30, ~~2025~~ 2026.

29 (c) The provisions of this section shall be in effect only from July 1,  
30 ~~2023~~ 2024 through June 30, ~~2024~~ 2025.

31  
32 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
33 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.  
34 ASSISTED LIVING FACILITY REIMBURSEMENT - ACCOUNTING OF HOME AND COMMUNITY-  
35 BASED FUNDS.

36 (a)(1) The Department of Human Services shall take the necessary

1 action to submit a waiver application to the Centers for Medicare and  
2 Medicaid Services to increase reimbursement rates for assisted living  
3 facilities under the Living Choices Assisted Living Waiver.

4 (2) The department shall study and explore methods to increase the  
5 reimbursement rates for assisted living facilities under the Living Choices  
6 Assisted Living Waiver, including without limitation setting the  
7 reimbursement rate for assisted living facilities under the Living Choices  
8 Assisted Living Waiver as a percentage of the reimbursement rate for nursing  
9 home facilities.

10 (b) The department shall provide an accounting of funds allocated to  
11 qualifying entities under home and community-based services to the  
12 Legislative Council.

13 (c)(1) The Secretary of the Department of Human Services shall  
14 provide, in person, a monthly update to the Legislative Council on the status  
15 of the actions listed in subsections (a) and (b) of this section until the  
16 conclusion or resolution of these actions.

17 (2) If the General Assembly is in session, the secretary shall  
18 provide the updates described in subdivision (c)(1) of this section to the  
19 Joint Budget Committee.

20  
21 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
22 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

23 SEVERABILITY. If any provisions of this act or the application of this act  
24 to any person or circumstance is held invalid, such invalidity shall not  
25 affect other provisions or applications of the act which can be given effect  
26 without the invalid provision or application, and to this end the provisions  
27 of this act are declared to be severable.

28  
29 SECTION 14. COMPLIANCE WITH OTHER LAWS. Disbursement of funds  
30 authorized by this act shall be limited to the appropriation for such agency  
31 and funds made available by law for the support of such appropriations; and  
32 the restrictions of the State Procurement Law, the General Accounting and  
33 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
34 Procedures and Restrictions Act, or their successors, and other fiscal  
35 control laws of this State, where applicable, and regulations promulgated by  
36 the Department of Finance and Administration, as authorized by law, shall be

1 strictly complied with in disbursement of said funds.

2  
3 SECTION 15. LEGISLATIVE INTENT. It is the intent of the General  
4 Assembly that any funds disbursed under the authority of the appropriations  
5 contained in this act shall be in compliance with the stated reasons for  
6 which this act was adopted, as evidenced by the Agency Requests, Executive  
7 Recommendations and Legislative Recommendations contained in the budget  
8 manuals prepared by the Department of Finance and Administration, letters, or  
9 summarized oral testimony in the official minutes of the Arkansas Legislative  
10 Council or Joint Budget Committee which relate to its passage and adoption.

11  
12 SECTION 16. EMERGENCY CLAUSE. It is found and determined by the  
13 General Assembly, that the Constitution of the State of Arkansas prohibits  
14 the appropriation of funds for more than a one (1) year period; that the  
15 effectiveness of this Act on July 1, 2024 is essential to the operation of  
16 the agency for which the appropriations in this Act are provided, and that in  
17 the event of an extension of the legislative session, the delay in the  
18 effective date of this Act beyond July 1, 2024 could work irreparable harm  
19 upon the proper administration and provision of essential governmental  
20 programs. Therefore, an emergency is hereby declared to exist and this Act  
21 being necessary for the immediate preservation of the public peace, health  
22 and safety shall be in full force and effect from and after July 1, 2024.