1	State of Arkansas	As Engrossed: \$3/6/17		
2	91st General Assembly	A Bill		
3	Regular Session, 2017		HOUSE BILL 1016	
4				
5	By: Representative Farrer			
6	By: Senator K. Ingram			
7				
8		For An Act To Be Entitled		
9	AN ACT TO CONVERT THE HOSPITAL REIMBURSEMENT SYSTEMS			
10	UNDER THE ARKANSAS MEDICAID PROGRAM TO DIAGNOSIS-			
11	RELATED GROUP METHODOLOGY; AND FOR OTHER PURPOSES.			
12				
13				
14		Subtitle		
15	TO CONVERT THE HOSPITAL REIMBURSEMENT			
16	SYSTEMS UNDER THE ARKANSAS MEDICAID			
17	PROGRAM TO DIAGNOSIS-RELATED GROUP			
18	METH	HODOLOGY.		
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20				
21	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:			
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23	SECTION 1. Arka	ansas Code Title 20, Chapter 77, S	Subchapter l, is	
24	amended to add an add:	itional section to read as follows	: :	
25	20-77-132. Diag	gnosis-related group methodology f	or hospitals.	
26	(a) As used in	this section, "diagnosis-related	group methodology"	
27	means a system of clas	ssification of diagnoses and proce	edures based on the	
28	International Classif	ication of Diseases, Tenth Revision	on, Clinical	
29	Modification, also know	own as ICD-10-CM, including withou	<u>it limitation:</u>	
30	(1) The all-patient refined diagnosis-related groups system; and			
31	<u>(2) The e</u>	enhanced ambulatory procedure grou	ping system.	
32	(b) To the extent possible, the Department of Human Services shall			
33	convert the hospital reimbursement systems under the Arkansas Medicaid			
34	Program to a diagnosis	Program to a diagnosis-related group methodology to allow more accurate		
35	classification of pata	ient populations and description o	of mortality risks and	
36	severity of patient i	llness.		

As Engrossed: S3/6/17 HB1016

1	(c)(1) The department shall promulgate rules to implement this		
2	section.		
3	(2) The rules adopted under subdivision (c)(1) of this section		
4	shall address:		
5	(A) How supplemental payments to hospitals shall be		
6	<pre>considered;</pre>		
7	(B) Whether funding for the transition from per diem		
8	reimbursement to diagnosis-related group methodology shall be provided to		
9	hospitals; and		
10	(C) Whether certain types of hospital providers shall be		
11	exempt from the diagnosis-related group methodology.		
12	(d)(1) The department, in coordination with the Arkansas Hospital		
13	Association, shall develop a plan for the conversion of the hospital		
14	reimbursement systems under the Arkansas Medicaid Program as described in		
15	subsection (b) of this section.		
16	(2) The conversion plan shall:		
17	(A) Include estimates of the impact of the conversion on		
18	all state and federal funds used for hospital payment, including without		
19	limitation any impact on critical-access hospitals; and		
20	(B) Be submitted to the Legislative Council for review on		
21	or before January 1, 2018.		
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23	/s/Farrer		
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