

EXHIBIT J

DEPARTMENT OF HUMAN SERVICES, DEVELOPMENTAL DISABILITIES SERVICES

SUBJECT: Adult Developmental Day Treatment (ADDT) New-18; State Plan Amendment #2018-007; and DDS Standards for Certification and Monitoring for Center-based Community Services

DESCRIPTION: Pursuant to Ark. Code Ann. § 20-48-1101 et seq., DDS is combining the current Developmental Day Treatment Clinic Services (DDTCS) for children and Child Health Management Services (CHMS) into one successor program, now called Early Intervention Day Treatment (EIDT).

The adult population is currently served by DDTCS centers with adult programs. These programs will now be Adult Developmental Day Treatment (ADDT) programs. The ADDT program is not substantially different from the current DDTCS program, however the department is opening up the opportunity for these clients to receive nursing services at the ADDT center with prior authorization. DDS has determined, based upon on site reviews, that nursing is a needed service for many of the adult clients.

Current DDTCS centers will be grandfathered in as ADDT licensed programs under the current standards until June 30, 2019, at which time they will have to renew their license as an ADDT.

PUBLIC COMMENT: A public hearing was held on April 18, 2018. The public comment period expired on May 8, 2018. The Department received several comments, an 84-page summary of which is also attached to the agenda online.

Specific comments on the ADULT DEVELOPMENTAL DAY TREATMENT (ADDT) program include the following:

DAVID IVERS, DEVELOPMENTAL DISABILITIES PROVIDERS ASSOCIATION

COMMENT: The proposed rule, which creates a new program (ADDT) and ends licensure under DDTCS, puts at risk the state's "grandfather" status under OBRA 1989.

RESPONSE: The Omnibus Budget Reconciliation Act of 1989 (OBRA '89), which you cite, is a prohibition on the Secretary of the U.S. Department of Health and Human Services (DHHS) to defund an *old* program until such time as the Secretary finalized regulations addressing the issue of habilitation services. That legislation in no way presents a limitation on the Secretary's ability to approve alteration or fund a *new* program. A great deal has changed in the Medicaid program in the past 29 years which has provided states with new options that did not exist in 1989. DHS will not sunset DDTCS or CHMS without having CMS approval of the new programs.

COMMENT: Also, creating a new licensure would place the managed growth statute and rules under state law in question. The managed growth statute at 20-48-105 references "existing operations," which are defined as DDTCS at 20-48-101(3).

EXHIBIT J

RESPONSE: Because of the state statute, the expansion rules will apply to the new EIDT and ADDT models, as successor programs; and the same standards will apply.

COMMENT: 201.200 ADDT Providing Occupational, Physical, or Speech Therapy
It is inconsistent to state that speech, physical, and occupational therapies are an “essential component” of an individual program plan and then to state that they are optional, not included as a core service, and can only be provided if the individual is eligible for day habilitation. Most adults in DDTCS do not receive therapy so it is hard to understand how it can be an “essential component.”

RESPONSE: The language was meant to indicate that, when therapy is needed, it is an essential component of that individual’s IPP. However, the word “essential” will be deleted from this sentence to clarify that occupational, physical, and speech therapy are not required for all clients attending an ADDT.

COMMENT: 211.100 Developmental Disability Diagnosis A.1.a. Intellectual Disability.
Did you mean to use language regarding infants/preschool here?

RESPONSE: This language is in the definition of intellectual disability used in DDS Policy 1035; however, it is not applicable to ADDT programs and will be removed.

COMMENT: What is the difference between “results of a medical examination” and “diagnosis”?

RESPONSE: DDS cited DDS Policy 1035 for the definition of developmental disability. This policy uses both terms.

COMMENT: For epilepsy, the sentence is grammatically incorrect. Also, a neurologist is a licensed physician.

RESPONSE: DDS cited DDS Policy 1035 for the definition of developmental disability.

COMMENT: Does it really require all three of those professionals to make an Autism diagnosis in every instance? This does not seem to be the case universally.

RESPONSE: DDS cited DDS Policy 1035 for the definition of developmental disability. This is also the standard used to receive ABA therapy under EPSDT and the Autism Waiver.

COMMENT: A.2. – Part “b” seems redundant with part “a” with regard to IQ scores.

RESPONSE: This is correct, we will delete paragraph b.

EXHIBIT J

COMMENT: 213.200 Non-Covered Services

DHS has proposed to include “**education**” as among those services that are not covered. Certain services, particularly habilitation, have both education and medical characteristics. This “overlap” does not mean that Medicaid will not cover them. A blanket exclusion of education services would violate Medicaid. *Massachusetts v. Sec’y of Health and Human Services*, 816 F.2d 796 (1st Cir. 1987). See also 42 U.S.C. 1396b(c). See also, *Chisholm v. Hood*, 110 F. Supp.2d 499, 507 (E.D. La. 2000) (a state cannot avoid its obligation to children with special needs by delegating it to the state’s education system). While we understand that traditional education is not covered, this does not mean that habilitative services with educational benefits are excluded. Please remove “education” from the Non-Covered Services list.

RESPONSE: While you are correct that we cannot exclude all educational services for children, education for adults is a non-covered service. This is not a change for adults receiving DDTCS services.

COMMENT: Also, this section says, “An ADDT clinic must provide only those services that DPSQA licenses the ADDT clinic to provide.” The Medicaid Manual may state which services it will or will not reimburse, but the ability of a provider to offer other services in a particular setting relates to licensure, not reimbursement, and should not be included here. Regarding licensure, there are reasons the state may want providers to offer services Medicaid does not cover in an effort to more fully address individuals’ well-being.

RESPONSE: We are simply reiterating the fact that covered services must meet DPSQA licensure requirements.

COMMENT: 215.000 Individual Program Plan

Introduction -This says the plan must be designed to “improve” the beneficiary’s condition. For some individuals, the service will be necessary to “maintain” their condition and prevent regression, but they will not necessarily “improve.” Please add “maintain or” before improve. See 42 U.S.C 1396-1 (“rehabilitation” includes “services to help... families and individuals attain or retain capability for independence or self-care.”) (For background in Medicare context, see *Jimmo v. Sebelius* Settlement Agreement of 2013.)

RESPONSE: The word “maintain” will be added. The section also states that all services must be “medically necessary,” which is defined to include services that prevent a worsening of the individual’s condition. Therefore, the addition of the word “maintain,” reflects this requirement.

COMMENT: B. Here the schedule needs to be defined as a "tentative" schedule to allow the individual flexibility in choice of services.

RESPONSE: We will add the word “tentative” to clarify that the daily schedule does not have to be met exactly; however, treatment goals and objectives must be met or modified as needed during the annual treatment period.

EXHIBIT J

COMMENT: 216.100 Occupational, Physical, and Speech Therapy
See earlier comment on “essential” vs. “optional.”

RESPONSE: Please see response to earlier comment regarding essential v. optional services.

COMMENT: 216.200 Nursing Services

We definitely support this as a much-needed service for certain clients. Programs may be able to take more medically complex individuals with this addition.
Please clarify that this an optional service – that a provider does not have to offer nursing to be licensed.

RESPONSE: We added the same introductory sentence used for Occupational, Physical and Speech Therapy, “Optional service available through ADDT include nursing services,” to clarify that they do not have to be provided.

COMMENT: The list includes “Administration of medication” as #7 among those nursing services that may be billed, but the next sentence says it is *not* reimbursable. Please clarify by wording like the children’s manual.

RESPONSE: This language will be removed to clarify that administration of medication can be a billable component of nursing services.

COMMENT: 217.100 Establishing Medical Necessity for Core Services

This section seems to say the prescription comes first, then the care plan. The DD waiver is the opposite order. (The waiver process-requires that a meeting be held and the physician signs the prescription (part of plan of care) within 30 days after meeting. The waiver PCSP must be submitted to DDS 45 days prior to the expiration of the current plan. The physician’s prescription is as much as 60 days prior to the implementation of the new plan.) If this requirement in Adult DDTCS could be changed to mirror the waiver criteria, the waiver plan and Adult Development plan could be integrated into one plan. It would also allow there to be, at some point in time in the future, one prescription that could result in the annual staffing dates being the same.

RESPONSE: We agree that ideally, clients will have one overarching plan of care that will be signed off on by a physician, this plan will include Waiver and all state plan services.

COMMENT: 220.000 PRIOR AUTHORIZATION

For children in EIDT, up to 4 units a day of nursing can be provided without prior authorization, yet under ADDT all nursing has to be prior authorized. This creates an unnecessary administrative burden and waste of state resources over a small amount of money. The services listed for nursing in both EIDT and ADDT are the same, so why is there different treatment? This could discourage adult clinics from taking more medically involved individuals. Please remove prior authorization up to 4 units.

EXHIBIT J

RESPONSE: For EIDT it is a mandatory service. For ADDT it is an optional service that is completely new to the program. Therefore, we are requiring a PA so that we can monitor utilization of this new service. We are happy to discuss removing the PA after we have at least one year of data.

COMMENT: 232.000 Retrospective Reviews

The current manuals have retrospective reviews in the context of therapy only. This broadens it to all non-prior-authorized services, including core services. These will now be conducted on top of on-site audits by Utilization Review. What is the cost of these reviews? In what frequency will they be conducted? These are low paying services for which retrospective reviews will create an administrative burden on providers and a cost to the state that may not be warranted by the results. Past retrospective reviews in therapy have not achieved significant benefits, and, in fact, have resulted in a net cost to the state. DDTCS has not had a rate increase since 2010, and that was less than \$1. The minimum wage has increased more than that. Has a cost-benefit analysis been conducted? What is the cost of these reviews? In what frequency will they be conducted?

RESPONSE: All services provided to Medicaid beneficiaries and billed to the Medicaid program may be reviewed. *See* All Provider Manual, Section I. The frequency and process of reviews will be established in the contract with the new prior authorization/retrospective review vendor. An RFP will be put out later this year and will be available for public inspection. DDS has a duty to ensure federal Medicaid funding is being used in accordance with regulations, therefore, we have opted to do random retrospective reviews and eliminate the majority of prior authorization requirements.

COMMENT: 242.100 ADDT Core Services Procedure Codes

T1023

U6, UA

Diagnosis and Evaluation Services (not to be billed for therapy evaluations) (1 unit equals 1 hour; maximum of 1 unit per day.)

Is this code what is meant by “assessment” elsewhere in manual.

At front of manual (214.110) it states assessment can be done 1 unit, 1 x year and this section states it can be 1 hour per day. Rate that is on the rate sheet is same as the \$108 it has always been. Please clarify.

RESPONSE: The code can be billed once per year, the same as it always has been. The language “once per year” will be added to the table to clarify this. Like any other service an extension of benefits can be requested.

EXHIBIT J

COMMENT: DDPA supports Treatment Plan Development code 99367. Can you clarify if this can be done while in DDTCS or whether the person has to be logged out? Also, can provider request a second plan developer fee if the plan has to be revised during the year?

RESPONSE: A provider cannot bill for developing a treatment plan and providing other services at the same time, so a client would need to be "logged out" of day habilitation services for the time that the treatment plan was being developed. A provider can request an extension of benefits if the plan needs to be revised during the year.

COMMENT: Under the EIDT manual Treatment Plan Development is at \$22.50 for 15 min unit with 4 units a year available (\$90 year). See CPT 99367 in Section 232.100. This code is also in ADDT (adult day treatment) but adults cannot be broken into 4 units throughout the year--it has to be billed all at once. Section 242.100. Please make it match flexibility for individual's needs, as in children's.

RESPONSE: We put a more flexible schedule in place for children to meet their changing needs. Again, if an adult's plan needs to change the provider can request an extension of benefits.

TOM MASSEAU, EXECUTIVE DIRECTOR, DISABILITY RIGHTS ARKANSAS, INC.

COMMENT: DRA has concerns regarding the prior authorization requirements discussed in the manual. Individuals who require more than six units of a given therapy type (physical, occupational, or speech) over a one-week period and individuals who require nursing services must receive prior authorization. The only elaboration on this is found in Section 220.000, titled "Prior Authorization," which states only that: "Prior authorization not required for ADDT core service or for the first ninety minutes per week of each therapy discipline."

Section 216.200 discusses nursing services, stating they are available if prescribed by an individual's PCP and, "prior authorized in accordance with this manual." The only other reference to prior authorization for nursing services is in Section 220.000 states only that, "(a)ll nursing services must be prior authorized." As with the therapy requirement, this tells an individual receiving services nothing whatsoever about the prior authorization process and there is no further elaboration on prior authorization anywhere in the manual. There is no information provided to explain the process to obtain authorization for extended therapy benefits or nursing services. There is no information provided laying out a timeline for the request process, and nothing is included to provide guidance on how often authorization for extended services would be required. As such, DRA recommends that DHS develop and promulgate a clear process for obtaining prior authorization for extended therapy and nursing services, including timelines and an easily accessible appeals process. We also recommend establishing a system for careful monitoring and tracking of extended therapy benefits requests in order to ensure that the prior authorization requirement does not lead to avoidable delays for individuals to access needed therapies.

EXHIBIT J

RESPONSE: The process to request an extension of benefits is already in place with AFMC and is not being changed. The exact same language is being added to the RFP for the vendor who will take over in January 2019. This process is outlined in the Physical, Occupational, and Speech Therapy Manual.

COMMENT: There is a lack of clarity in those sections dealing with the evaluation process as well. Section 216.100(D)(1) of the ADDT guidelines states that Medicaid will reimburse up to two hours of evaluation time for each therapy discipline, and that additional evaluation units for individuals under 21 require a request for extended therapies. Not only is the request process left undefined, but no mention is made of any mechanism for obtaining extended therapies for individuals over 21 years of age. DRA recommends that these issues be clarified.

RESPONSE: Please see previous responses.

COMMENT: DRA has also identified some discrepancies between documents in the materials released for public comment. Section 216.100(0)(2) of the ADDT guidelines states that: "Medicaid will reimburse up to six (6) occupational, physical, and speech therapy units (1 unit= 15 minutes) daily, per discipline, without prior authorization." The State Plan has been amended to allow 6 units per discipline, per week without prior authorization. While DRA prefers the daily model in the ADDT guidelines, we would suggest that the policy be standardized across the different documents in order to prevent confusion.

RESPONSE: This discrepancy will be corrected to clarify that Medicaid will reimburse up to six (6) units per discipline, *per week*, without prior authorization.

FURTHER CLARIFICATIONS MADE BY DDS:

- In the Adult Developmental Day Treatment (ADDT) manual, we are clarifying the intent by removing the word "essential" to clarify that Occupational Therapy, Physical Therapy and Speech Therapy are not required for clients attending an ADDT.
- In the Adult Developmental Day Treatment (ADDT) manual, we are clarifying the eligibility section by removing "infant/preschool language" that was inadvertently left in the manual.
- In the Adult Developmental Day Treatment (ADDT) manual, we are clarifying that Section 215.000 by adding the words "maintain" and "tentative."
- In the Adult Developmental Day Treatment (ADDT) manual, we are clarifying that Section 216.000 that therapy units are allowed at 6 unit increments per week, not per day, which is consistent with all other Medicaid manuals regarding therapy units.
- In the Adult Developmental Day Treatment (ADDT) manual, we are clarifying that Section 216.000 allows administration of medications to be billed.
- In the Adult Developmental Day Treatment (ADDT) manual, we are clarifying that Section 242.100 allows for evaluations to be billed once per year.

Specific comments on proposed CENTER-BASED COMMUNITY SERVICES licensure rules include the following:

EXHIBIT J

DAVID IVERS, DEVELOPMENTAL DISABILITIES PROVIDERS ASSOCIATION

COMMENT: The new language seems designed primarily to bring CHMS providers under these licensure rules. However, the wording goes too far by saying it applies to “any day treatment program in Arkansas.” We do not think you mean to include adult day care, adult day health care, behavioral health day treatment, and all other programs that could fall within that description, in and outside the Medicaid program. A simple modification of wording should fix that.

RESPONSE: The Center-Based Community Services Licensure Rules apply only to ADDT and EIDT programs.

COMMENT: However, overall, these rules reflect the quasi-governmental nature of non-profit DDTCS programs. Are the mostly for-profit CHMS clinics going to meet these requirements?

RESPONSE: The merged EIDT and ADDT programs, regardless of non-profit, will meet the same licensure requirements.

COMMENT: Licensing standards Section 202.B.3. addresses the requirement of a tuberculosis skin test. This needs to be removed from the manual. See attached memos. (memos from DDS regarding discontinuing TB skin test requirement)

RESPONSE: We are not requiring TB skin tests; we will follow the guidance in the memos we issued.

COMMENT: Also, this manual, not the Medicaid Provider Manual, is the more appropriate location for staff qualifications and ratios. Some are included in Section 523 but not all.

RESPONSE: We believe this will be clarified when the licensure standards are updated by the workgroup that will begin meeting at the end of May.

Laura Kehler Shue, an attorney with the Bureau for Legislative Research, asked the following two questions:

1. Does DHS have CMS approval of the new programs? (all of the successor programs?)
2. Also, with regard to the DDPA comment below, to which state statute is the response referring?

COMMENT: *Also, creating a new licensure would place the managed growth statute and rules under state law in question. The managed growth statute at 20-48-105 references “existing operations,” which are defined as DDTCS at 20-48-101(3).*

RESPONSE: *Because of the state statute, the expansion rules will apply to the new EIDT and ADDT models, as successor programs; and the same standards will apply.*

EXHIBIT J

RESPONSE:

1. No, we do not yet have approval from CMS. (The Department states in the summary that it will not sunset DDTCS or CHMS programs without CMS approval of the new programs).
2. The statute is Ark. Code Ann. § 20-48-101. There is a currently a moratorium on expanding these programs and the statute states that the expansion rules will also apply to any successor program.

The proposed effective date is July 1, 2018.

FINANCIAL IMPACT: There is no financial impact.

LEGAL AUTHORIZATION: The Department of Human Services is authorized to “make rules and regulations and take actions as are necessary or desirable to carry out the provisions of this chapter [Public Assistance] and that are not inconsistent therewith.” Arkansas Code Annotated § 20-76-201 (12). DHS is authorized to establish and maintain an indigent medical care program. *See* Ark. Code Ann. § 20-77-107. DHS is also authorized to promulgate rules as necessary to conform to federal rules that affect its programs as necessary to receive any federal funds. *See* Ark. Code Ann. § 25-10-129(b).

The Department’s Division of Developmental Disabilities Services (“DDS”) is responsible for the overall coordination of services for Arkansans with developmental disabilities as defined in Ark. Code Ann. §20-48-101. In 2013, DHS was required by law to convene stakeholders to assist in determining the feasibility of combining the child health treatment clinic services program for children into a successor program. *See* Ark. Code Ann. § 20-48-1108. The Division is authorized to adopt rules to implement programs and was required by law to work with stakeholders, including without limitation, representatives of the Child Health Management Services Association and the Developmental Disabilities Provider Association, in the development of rules. *See* Ark. Code Ann. § 20-48-1107. DHS states that the new DDS center –based community services standards will apply to any day treatment program in Arkansas for children and adults, including “successor programs,” as defined in Ark. Code Ann. § 20-48-1101 et seq.

**QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS
WITH THE ARKANSAS LEGISLATIVE COUNCIL**

DEPARTMENT/AGENCY Department of Human Services
DIVISION Division of Developmental Disabilities Services
DIVISION DIRECTOR Melissa Stone
CONTACT PERSON Elizabeth Pitman
ADDRESS P.O. Box 1437, Slot N502
PHONE NO. (501) 682-4936 FAX NO. (501) 682-8380 E-MAIL Elizabeth.pitman@dhs.arkansas.gov
NAME OF PRESENTER AT COMMITTEE MEETING Melissa Stone
PRESENTER E-MAIL Melissa.stone@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? Adult Developmental Day Treatment (ADDT)-New-18; State Plan Amendment #2018-007; and DDS Standards for Certification and Monitoring for Center-based Community Services

2. What is the subject of the proposed rule? A center-based service array for adults currently served by Developmental Day Treatment Clinics with adult programs.

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. _____

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? _____

When does the emergency rule expire? _____

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. The ADDT program will not be substantially different from the existing adult program in DDTCS. However, nursing services may now be offered to ADDT clients with nursing needs after prior authorization has been obtained.

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. Replaces the current Developmental Day Treatment Clinic Services (DDTCS) for adults.

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: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."**

6. Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation. A.C.A. 20-48-201 et seq.

7. What is the purpose of this proposed rule? Why is it necessary? The ADDT program is the successor the current DDTCS adult day treatment program.

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). <http://humanservices.arkansas.gov/ddds/Pages/default.aspx>

9. Will a public hearing be held on this proposed rule? Yes No
If yes, please complete the following:

Date: April 18, 2018

Time: 5:00 p.m.

Central Arkansas Library, Darragh
Center Auditorium, 100 Rock Street,

Place: Little Rock, AR

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

May 8, 2018

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

July 1, 2018

12. Please provide a copy of the notice required under Ark. Code Ann. § 25-15-204(a), and proof of the publication of said notice.

13. Please provide proof of filing the rule with the Secretary of State and the Arkansas State Library as required pursuant to Ark. Code Ann. § 25-15-204(e).

14. 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.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Arkansas Department of Human Services

DIVISION Division of Developmental Disabilities Services

PERSON COMPLETING THIS STATEMENT Elizabeth Pitman

TELEPHONE 501-682-4936 **FAX** 501-682-8380 **EMAIL:** Elizabeth.pitman@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 Adult Developmental Day Treatment (ADDT)-New-18; State Plan Amendment #2018-007; and DDS Standards for Certification and Monitoring for Center-based Community Services

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	<u>0</u>
Federal Funds	<u>0</u>
Cash Funds	<u>0</u>
Special Revenue	<u>0</u>
Other (Identify)	<u>0</u>

Next Fiscal Year

General Revenue	<u>0</u>
Federal Funds	<u>0</u>
Cash Funds	<u>0</u>
Special Revenue	<u>0</u>
Other (Identify)	<u>0</u>

Total 0

Total 0

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

Current Fiscal Year

Next Fiscal Year

General Revenue 0
Federal Funds 0
Cash Funds 0
Special Revenue 0
Other (Identify) 0

Total 0

General Revenue 0
Federal Funds 0
Cash Funds 0
Special Revenue 0
Other (Identify) 0

Total 0

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

\$ 0

\$ 0

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

Next Fiscal Year

\$ 0

\$ 0

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;

(2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;

(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;

- (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;
- (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;
- (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
- (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.

SUMMARY OF ADULT DEVELOPMENTAL DAY TREATMENT

Pursuant to Ark. Code Ann. § 20-48-1101 et seq., DDS is combining the current Developmental Day Treatment Clinic Services (DDTCS) for children and Child Health Management Services (CHMS) into one successor program, now called Early Intervention Day Treatment (EIDT).

The adult population is currently served by DDTCS centers with adult programs. These programs will now be Adult Developmental Day Treatment (ADDT) programs. The ADDT program is not substantially different from the current DDTCS program, however we are opening up the opportunity for these clients to receive nursing services at the ADDT center with prior authorization. DDS has determined, based upon on site reviews, that nursing is a needed service for many of the adult clients.

Current DDTCS centers will be grandfathered in as ADDT licensed programs under the current standards until June 30, 2019, at which time they will have to renew their license as an ADDT.