

EXHIBIT F

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

RECEIVED

DEPARTMENT/AGENCY Department of Human Services

DIVISION Division of Medical Services

DIVISION DIRECTOR Eugene Gessow

CONTACT PERSON Robert Nix

ADDRESS P.O Box 1437, Slot S295, Little Rock, AR 72203

PHONE NO. 682-8362 FAX NO. 682-2480 E-MAIL Robert.nix@arkansas.gov

NAME OF PRESENTER AT COMMITTEE MEETING Jeffrey Wood

PRESENTER E-MAIL jeffrey.wood@arkansas.gov

OCT 31 2011

BUREAU OF
LEGISLATIVE RESEARCH

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
Room 315, State Capitol
Little Rock, AR 72201

1. What is the short title of this rule?
 Rehabilitative Services for Persons with Mental Illness (RSPMI) Update No. 3-11
2. What is the subject of the proposed rule?
 To clarify the retrospective review process in the RSPMI program.
3. Is this rule required to comply with a federal statute, rule, or regulation? Yes ___ No X.
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 X.
 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 X If yes, please provide a brief summary explaining the regulation.

Does this repeal an existing rule? Yes ___ No X If yes, a copy of the repealed rule is to be included with your completed questionnaire.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 X 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 Arkansas Code citation.

Arkansas Statute 20-76-201

7. What is the purpose of this proposed rule? Why is it necessary?

The purpose of the proposed rule is to clarify the retrospective review process in the RSPMI program and update how providers can obtain information regarding reports from the Quality Improvement Organization (QIO-like), ValueOptions®. The proposed rule is necessary because the language regarding the various aspects of retrospective reviews is not consistent with how ValueOptions® will accept documentation and select cases to review retrospectively. Also, the RSPMI manual does not adequately explain to providers where they can obtain information regarding reports from ValueOptions®.

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/InternetSolution/general/comment/comment.aspx>

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

Date: May 31, 2011

Time: 1:30 – 4:00 p.m.

Place: Blue Flame Room, 400 East Capitol

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

May 10, 2011

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

January 15, 2012

12. Do you expect this rule to be controversial? Yes ___ No X 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.

Medical associations, interested providers, and advocacy organizations. Their positions for or against is not known at this time.

FINANCIAL IMPACT STATEMENT

RECEIVED

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Department of Human Services

DIVISION Division of Medical Services

PERSON COMPLETING THIS STATEMENT Randy Helms

TELEPHONE NO. 682-1857 FAX NO. 682-2480 EMAIL: randy.helms@arkansas.gov

OCT 3 1 2011

BUREAU OF LEGISLATIVE RESEARCH

To comply with Act 1104 of 1995, please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE – Rehabilitative Services for Persons with Mental Illness (RSPMI) Update No. 3-11

- 1. Does this proposed, amended, or repealed rule have a financial impact?
Yes _____ No X
- 2. Does this proposed, amended, or repealed rule affect small businesses?
Yes _____ No X

If yes, please attach a copy of the economic impact statement required to be filed with the Arkansas Economic Development Commission under Arkansas Code § 25-15-301 et seq.

- 3. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.
- 4. If the purpose of this rule is to implement a federal rule or regulation, please give the incremental cost for implementing the rule. Please indicate if the cost provided is the cost of the program.

Current Fiscal Year

Next Fiscal Year

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

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

- 5. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule? Identify the party 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 the agency to implement this rule? Is this the cost of the program or grant? Please explain.

Current Fiscal Year

Next Fiscal Year

NONE

NONE

Summary for
Rehabilitative Services for Persons with Mental Illness (RSPMI) Update No. 3-11

Effective January 15, 2012, the retrospective review sections of the Rehabilitative Services for Persons with Mental Illness (RSPMI) manual will be updated to indicate how the contractor (ValueOptions®) will conduct the retrospective review process and how providers will submit and obtain information regarding these retrospective reviews. The language in these sections is also clarified to better indicate the expectations of both the provider and the contractor when retrospective reviews are conducted.



Division of Medical Services
Program Development & Quality Assurance

P.O. Box 1437, Slot S-295 · Little Rock, AR 72203-1437
 501-682-8368 · Fax: 501-682-2480



TO: Arkansas Medicaid Health Care Providers – Rehabilitative Services for Persons with Mental Illness

DATE: January 15, 2012

SUBJECT: Provider Manual Update Transmittal #RSPMI-3-11

RECEIVED

OCT 31 2011

BUREAU OF LEGISLATIVE NEEDS

<u>REMOVE</u>		<u>INSERT</u>	
Section	Date	Section	Date
228.330	7-1-10	228.330	1-15-12
228.331	11-1-04	228.331	1-15-12
228.332	7-1-10	228.332	1-15-12
228.333	11-1-04	228.333	1-15-12
228.334	11-1-04	228.334	1-15-12
228.335	11-1-04	228.335	1-15-12

Explanation of Updates

Section 228.330 is updated to include current information about retrospective reviews of outpatient mental health services provided by RSPMI providers.

Section 228.331 is updated to revise the purpose for retrospective reviews of outpatient mental health services provided by RSPMI providers.

Section 228.332 is updated to explain the process of choosing a case for review and instructions for submitting medical records if chosen for review.

Section 228.333 is updated to provide information regarding the review process of a retrospective review.

Sections 228.334 and 228.335 are set to Reserved. The content in these sections is deleted.

The paper version of this update transmittal includes revised pages that may be filed in your provider manual. See Section I for instructions on updating the paper version of the manual. For electronic versions, these changes have already been incorporated.

If you have questions regarding this transmittal, please contact the HP Enterprise Services Provider Assistance Center at 1-800-457-4454 (Toll-Free) within Arkansas or locally and Out-of-State at (501) 376-2211.

TOC is required

228.330 Retrospective Reviews 1-15-12

The Division of Medical Services (DMS) of the Arkansas Department of Human Services has contracted with a Quality Improvement Organization (QIO) or QIO-like organization to perform retrospective (post payment) reviews of outpatient mental health services provided by RSPMI providers. **View or print ValueOptions contact information.**

The reviews will be conducted by licensed mental health professionals who will examine the medical record for compliance with federal and state laws and regulations.

228.331 Purpose of the Review 1-15-12

The purpose of the review is to:

- A. Ensure that services are delivered in accordance with the plan of care and conform to generally accepted professional standards.
- B. Evaluate the medical necessity of services provided to Medicaid beneficiaries.
- C. Evaluate the clinical documentation to determine if it is sufficient to support the services billed during the requested period of authorized services.
- D. Safeguard the Arkansas Medicaid program against unnecessary or inappropriate use of services and excess payments in compliance with 42 CFR § 456.3(a).

228.332 Review Sample and the Record Request 1-15-12

On a calendar quarterly basis, the contractor will select a statistically valid random sample from an electronic data set of all RSPMI beneficiaries whose dates of service occurred during the three-month selection period. If a beneficiary selected in any of the three calendar quarters prior to the current selection period, then they will be excluded from the sample and an alternate beneficiary will be substituted. The utilization review process will be conducted in accordance with 42 CFR § 456.23.

A written request for medical record copies will be mailed to each provider who provided services to the beneficiaries selected for the random sample along with instructions for submitting the medical record. The request will include the beneficiary's name, date of birth, Medicaid identification number and dates of service. The request will also include a list of the medical record components that must be submitted for review. The time limit for a provider to request reconsideration of an adverse action/decision stated in § 1 of the Medicaid Manual shall be the time limit to furnish requested records. If the requested information is not received by the deadline, a medical necessity denial will be issued.

All medical records must be submitted to the contractor via fax, mail or ProviderConnect. **View or print ValueOptions contact information.** When faxing or mailing records, send them to the attention of "Retrospective Review Process." Records will not be accepted via email.

228.333 Review Process 1-15-12

Initially, the record will be reviewed using a review tool based upon the promulgated Medicaid RSPMI manual. The review tool is designed to facilitate review of regulatory compliance, incomplete documentation and medical necessity. All reviewers must have a professional license in nursing or therapy (LCSW, LMSW, LPE, LPC, RN, etc.). The reviewer will screen the record to determine whether complete information was submitted for review. If it is determined that all requested information was submitted, then the reviewer will review the documentation in

Initially, the record will be reviewed using a review tool based upon the promulgated Medicaid RSPMI manual. The review tool is designed to facilitate review of regulatory compliance, incomplete documentation and medical necessity. All reviewers must have a professional license in nursing or therapy (LCSW, LMSW, LPE, LPC, RN, etc.). The reviewer will screen the record to determine whether complete information was submitted for review. If it is determined that all requested information was submitted, then the reviewer will review the documentation in more detail to determine whether it meets medical necessity criteria based upon the reviewer's professional judgment.

If a reviewer cannot determine that the services were medically necessary, then the record will be given to a psychiatrist for review. If the psychiatrist denies some or all of the services, then a denial letter will be sent to the provider and the beneficiary. Each denial letter contains a rationale for the denial that is record specific and each party is provided information about requesting reconsideration review or a fair hearing.

The reviewer will also compare the paid claims data to the progress notes submitted for review. When documentation submitted does not support the billed services, the reviewer will deny the services which are not supported by documentation. If the reviewer sees a deficiency during a retrospective review, then the provider will be informed that it has the opportunity to submit information that supports the paid claim. If the information submitted does not support the paid claim, the reviewer will send a denial letter to the provider and the beneficiary. Each denial letter contains a rationale for the denial that is record-specific and each party is provided information about requesting reconsideration review or a fair hearing.

Each retrospective review, and any adverse action resulting from a retrospective review, shall comply with the Medicaid Fairness Act. DMS will ensure that its contractor(s) is/are furnished a copy of the Act.

228.334	Reserved	1-15-12
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