EXHIBIT G

DEPARTMENT OF HUMAN SERVICES, MEDICAL SERVICES

SUBJECT: Ambulatory Surgical Center 2-15; ARKids-3-15; Certified Nurse; Midwife 1-15; Early Periodic Screening Diagnosis and Treatment 2-15; Hospital 3-15; Federally Qualified Health Center 2-15; Home Health 3-15; Hyperalimentation 2-15; Physician 4-15; Prosthetics 5-15; Rural Health Clinic 2-15; Nurse Practitioner 2-15; Transportation 1-15

DESCRIPTION: Effective November 1, 2015, the Division of Medical Services will implement the following billing policy for single and multi-dose drug vials:

Single use vials: If the provider must discard the remainder of a single-use vial or other package after administering the prescribed dosage of any given drug, Arkansas Medicaid will cover the amount of the drug discarded along with the amount administered.

Multi-dose vials are not subject to payment for any discarded amounts of the drug. The units billed must correspond with the units administered to the beneficiary.

This policy will enhance the way Arkansas Medicaid complies with the Federal National Drug Code billing requirements.

PUBLIC COMMENT: No public hearing was held on this rule. The public comment period expired on September 4, 2015. The Department did not receive any comments.

The proposed effective date is November 1, 2015.

CONTROVERSY: This is not expected to be controversial.

FINANCIAL IMPACT: There is no financial impact.

LEGAL AUTHORIZATION: Arkansas Code Annotated § 20-76-201 (12) gives the Department the authority to "make rules and regulations and take actions as are necessary or desirable to carry out the provisions of this chapter and that are not inconsistent therewith."

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

CONTACT PERSON Cathy Coffman

ADDRESS PO Box 1437, Slot S295, Little Rock, AR 72203

PHONE NO. 501-537-1670 **FAX NO.** 501-404-4619 **E-MAIL** Cathy.Coffman@dhs.arkansas.gov

NAME OF PRESENTER AT COMMITTEE MEETING Tami Harlan

PRESENTER E-MAIL tami.harlan@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

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1. What is the short title of this rule?

Ambulatory Surgical Center 2-15, ARKids-3-15; Certified Nurse Midwife 1-15; Early Periodic Screening Diagnosis and Treatment 2-15, Hospital 3-15; Federally Qualified Health Center 2-15; Home Health 3-15; Hyperalimentation 2-15; Physician 4-15; Prosthetics 5-15; Rural Health Clinic 2-15; Nurse Practitioner 2-15; Transportation 1-15

2. What is the subject of the proposed rule?

To ensure proper billing guidelines for billing Multi-use and Single-use vial drugs under National Drug Code policy which serves as a universal product identifier for drugs.

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.

21 Code of Federal Regulation 201.2

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 ☒

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: 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. Arkansas Statute 20-76-201

7. What is the purpose of this proposed rule? Why is it necessary? This proposed rule is necessary to ensure correct and efficient administration of single and multiple dose drug vial billing in accordance with National Drug Coding (NDC).

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 ☐ 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 4, 2015

11. What is the proposed effective date of this proposed rule? (Must provide a date.)
November 1 , 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. There should be no provider comment for or against 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. 501-682-1857 **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 ASC 2-15, AFKids-3-15; CNM 1-15; EPSDT 2-15, Hospital 3-15; FQHC 2-15; Home Health 3-15; Hyperalimentation 2-15; Physician 4-15; Prosthetics 5-15; Rural Health Clinic 2-15; Nurse Practitioner 2-15; Transportation 1-15

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		**Next Fiscal Year**	
General Revenue		General Revenue	
Federal Funds		Federal Funds	
Cash Funds		Cash Funds	
Special Revenue		Special Revenue	
Other (Identify)		Other (Identify)	

Total _____ Total _____

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

Current Fiscal Year		**Next Fiscal Year**	
General Revenue	$0	General Revenue	$0
Federal Funds	$0	Federal Funds	$0
Cash Funds		Cash Funds	
Special Revenue		Special Revenue	
Other (Identify)		Other (Identify)	
Total	$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
$ _____

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
$ $0

Next Fiscal Year
$ $0

This rule change will not impact the amount Medicaid pays for a drug. The rule clarifies that the remaining portion left in the vial must be discarded and may not be used for another patient.

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 for Vial Policy Updates

Effective November 1, 2015 the Division of Medical Services has implemented the following billing policy for single and multi-use drug vials: Single use vials: If the provider must discard the remainder of a single-use vial or other package after administering the prescribed dosage of any given drug, Arkansas Medicaid will cover the amount of the drug discarded along with the amount administered. Multi-used vials are not subject to payment for any discarded amounts of the drug. The units billed must correspond with the units administered to the beneficiary. This policy will enhance the way Arkansas Medicaid complies with the Federal National Drug Code billing requirements.

No comments received during 30 day comment period

No Public Hearing

Non-Controversial