

**Stricken language will be deleted and underlined language will be added.  
Act 276 of the Fiscal Session**

1 State of Arkansas  
2 87th General Assembly  
3 Fiscal Session, 2010  
4

*As Engrossed: S2/24/10*

**A Bill**

SENATE BILL 28

5 By: Joint Budget Committee  
6  
7

**For An Act To Be Entitled**

9 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL  
10 SERVICES AND OPERATING EXPENSES FOR THE  
11 DEPARTMENT OF HUMAN SERVICES - DIVISION OF  
12 MEDICAL SERVICES FOR THE FISCAL YEAR ENDING JUNE  
13 30, 2011; AND FOR OTHER PURPOSES.  
14

**Subtitle**

15  
16 AN ACT FOR THE DEPARTMENT OF HUMAN  
17 SERVICES - DIVISION OF MEDICAL SERVICES  
18 APPROPRIATION FOR THE 2010-2011 FISCAL  
19 YEAR.  
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22

23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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25 SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established for  
26 the Department of Human Services - Division of Medical Services for the 2010-  
27 2011 fiscal year, the following maximum number of regular employees whose  
28 salaries shall be governed by the provisions of the Uniform Classification  
29 and Compensation Act (Arkansas Code §§21-5-201 et seq.), or its successor,  
30 and all laws amendatory thereto. Provided, however, that any position to  
31 which a specific maximum annual salary is set out herein in dollars, shall be  
32 exempt from the provisions of said Uniform Classification and Compensation  
33 Act. All persons occupying positions authorized herein are hereby governed  
34 by the provisions of the Regular Salaries Procedures and Restrictions Act  
35 (Arkansas Code §21-5-101), or its successor.  
36

1				Maximum Annual	
2				Salary Rate	
3	Item	Class	No. of	Fiscal Year	
4	No.	Code	Title	Employees	2010-2011
5	(1)	L016N	REGISTERED PHARMACIST	6	GRADE N911
6	(2)	N022N	DHS DEP DIR MEDICAL SERVICES	1	GRADE N910
7	(3)	N080N	DHS/DMS ASSISTANT DIRECTOR - FISCAL	1	GRADE N907
8	(4)	N099N	DHS/DMS ADD - LONG TERM CARE	1	GRADE N906
9	(5)	N100N	DHS/DMS ADD - MEDICAL SERVICES	2	GRADE N906
10	(6)	D007C	INFORMATION SYSTEMS MANAGER	1	GRADE C128
11	(7)	A016C	DHS DMS BUSINESS OPERATIONS MANAGER	9	GRADE C127
12	(8)	L010C	DHS DMS MEDICAL ASSISTANCE MANAGER	9	GRADE C125
13	(9)	L009C	NURSE MANAGER	5	GRADE C125
14	(10)	B023C	ENGINEER, P. E.	1	GRADE C124
15	(11)	L020C	NURSING SERVICES UNIT MANAGER	2	GRADE C123
16	(12)	L019C	REGISTERED NURSE COORDINATOR	5	GRADE C123
17	(13)	A044C	AUDIT COORDINATOR	1	GRADE C122
18	(14)	G099C	DHS PROGRAM ADMINISTRATOR	15	GRADE C122
19	(15)	L027C	REGISTERED NURSE SUPERVISOR	13	GRADE C122
20	(16)	A056C	DHS FINANCIAL SECTION MANAGER	1	GRADE C120
21	(17)	L040C	DIETARY SERVICES DIRECTOR	1	GRADE C120
22	(18)	L038C	REGISTERED NURSE	74	GRADE C120
23	(19)	E023C	TRAINING PROJECT MANAGER	1	GRADE C120
24	(20)	D063C	COMPUTER SUPPORT SPECIALIST	3	GRADE C119
25	(21)	D062C	DATABASE ANALYST	1	GRADE C119
26	(22)	G152C	DHS PROGRAM MANAGER	11	GRADE C119
27	(23)	G147C	GRANTS COORDINATOR	2	GRADE C119
28	(24)	X067C	HEALTH FACILITIES SURVEYOR	21	GRADE C119
29	(25)	X062C	QUALITY ASSURANCE COORDINATOR	2	GRADE C119
30	(26)	A060C	SENIOR AUDITOR	11	GRADE C119
31	(27)	R024C	ASST PERSONNEL MANAGER	1	GRADE C118
32	(28)	A081C	AUDITOR	2	GRADE C117
33	(29)	R027C	BUDGET SPECIALIST	2	GRADE C117
34	(30)	G183C	DHS PROGRAM COORDINATOR	8	GRADE C117
35	(31)	L055C	DIETICIAN	3	GRADE C117
36	(32)	D068C	INFORMATION SYSTEMS ANALYST	3	GRADE C117

1	(33)	M039C	MEDI CAI D SERVI CES SUPERVI SOR	3	GRADE C117
2	(34)	C013C	MEDI CAL SERVI CES REPRESENTATI VE	4	GRADE C117
3	(35)	G178C	POLI CY DEVELOPMENT COORDI NATOR	5	GRADE C117
4	(36)	A089C	ACCOUNTANT I	1	GRADE C116
5	(37)	X124C	HEALTH FACI LITY REVI EWER	1	GRADE C116
6	(38)	A084C	PROGRAM/FI ELD AUDI T SPECI ALI ST	3	GRADE C116
7	(39)	C037C	ADMI NI STRATI VE ANALYST	6	GRADE C115
8	(40)	G210C	DHS PROGRAM SPECI ALI ST	1	GRADE C115
9	(41)	A091C	FI SCAL SUPPORT ANALYST	3	GRADE C115
10	(42)	C050C	ADMI NI STRATI VE SUPPORT SUPERVI SOR	1	GRADE C113
11	(43)	L070C	HEALTH CARE ANALYST	19	GRADE C113
12	(44)	C056C	ADMI NI STRATI VE SPECI ALI ST III	25	GRADE C112
13	(45)	A098C	FI SCAL SUPPORT SPECI ALI ST	2	GRADE C112
14	(46)	C073C	ADMI NI STRATI VE SPECI ALI ST II	18	GRADE C109
15	(47)	C087C	ADMI NI STRATI VE SPECI ALI ST I	<u>15</u>	GRADE C106
16			MAX. NO. OF EMPLOYEES	326	

18 SECTION 2. EXTRA HELP - OPERATIONS. There is hereby authorized, for the  
 19 Department of Human Services - Division of Medical Services for the 2010-2011  
 20 fiscal year, the following maximum number of part-time or temporary  
 21 employees, to be known as "Extra Help", payable from funds appropriated  
 22 herein for such purposes: seven (7) temporary or part-time employees, when  
 23 needed, at rates of pay not to exceed those provided in the Uniform  
 24 Classification and Compensation Act, or its successor, or this act for the  
 25 appropriate classification.

27 SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated, to  
 28 the Department of Human Services - Division of Medical Services, to be  
 29 payable from the paying account as determined by the Chief Fiscal Officer of  
 30 the State, for personal services and operating expenses of the Department of  
 31 Human Services - Division of Medical Services - Operations for the fiscal  
 32 year ending June 30, 2011, the following:

34	ITEM	FISCAL YEAR
35	<u>NO.</u>	<u>2010-2011</u>
36	(01) REGULAR SALARIES	\$ 15,696,747

1	(02)	EXTRA HELP	126,892
2	(03)	PERSONAL SERVICES MATCHING	4,712,682
3	(04)	OVERTIME	5,000
4	(05)	MAINT. & GEN. OPERATION	
5	(A)	OPER. EXPENSE	3,446,243
6	(B)	CONF. & TRAVEL	246,340
7	(C)	PROF. FEES	355,132
8	(D)	CAP. OUTLAY	195,000
9	(E)	DATA PROC.	0
10	(06)	DATA PROCESSING SERVICES	299,600
11	(07)	AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009	<u>458,025</u>
12		TOTAL AMOUNT APPROPRIATED	<u>\$ 25,541,661</u>

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14 SECTION 4. APPROPRIATION - GRANTS. There is hereby appropriated, to the  
 15 Department of Human Services - Division of Medical Services, to be payable  
 16 from the paying account as determined by the Chief Fiscal Officer of the  
 17 State, for grant payments of the Department of Human Services - Division of  
 18 Medical Services - Grants for the fiscal year ending June 30, 2011, the  
 19 following:

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21	ITEM	FISCAL YEAR
22	<u>NO.</u>	<u>2010-2011</u>
23	(01) PRIVATE NURSING HOME CARE	\$ 618,038,129
24	(02) INFANT INFIRMARY	28,251,589
25	(03) PUBLIC NURSING HOME CARE	229,940,266
26	(04) PRESCRIPTION DRUGS	480,599,452
27	(05) HOSPITAL AND MEDICAL SERVICES	3,545,563,906
28	(06) CHILD AND FAMILY LIFE INSTITUTE	2,100,000
29	(07) ARKIDS B PROGRAM	176,646,045
30	(08) PRIVATE NURSING HOME CARE - ARRA OF 2009	134,694,759
31	(09) INFANT INFIRMARY - ARRA OF 2009	4,901,102
32	(10) PUBLIC NURSING HOME CARE - ARRA OF 2009	40,875,288
33	(11) PRESCRIPTION DRUGS - ARRA OF 2009	94,544,574
34	(12) HOSPITAL AND MEDICAL SERVICES - ARRA OF 2009	646,455,077
35	(13) ARKIDS B PROGRAM - ARRA OF 2009	<u>27,377,439</u>
36	TOTAL AMOUNT APPROPRIATED	<u>\$6,029,987,626</u>

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SECTION 5. APPROPRIATION - NURSING HOME CLOSURE COSTS. There is hereby appropriated, to the Department of Human Services - Division of Medical Services, to be payable from the Long-Term Care Trust Fund, for the payment of relocation costs of residents in long-term care facilities, maintenance and operation of a facility pending correction of deficiencies or closure, and reimbursement of residents for personal funds lost for the fiscal year ending June 30, 2011, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2010-2011</u>
(01) EXPENSES	\$ <u>50,000</u>

SECTION 6. APPROPRIATION - LONG-TERM CARE FACILITY RECEIVERSHIP. There is hereby appropriated, to the Department of Human Services - Division of Medical Services, to be payable from the Long Term Care Facility Receivership Fund Account, for the payment of expenses of long-term care facility receivers as authorized by law of the Department of Human Services - Division of Medical Services - Long-Term Care Facility Receivership for the fiscal year ending June 30, 2011, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2010-2011</u>
(01) EXPENSES	\$ <u>100,000</u>

SECTION 7. APPROPRIATION - NURSING HOME QUALITY GRANTS. There is hereby appropriated, to the Department of Human Services - Division of Medical Services, to be payable from the Long-Term Care Trust Fund, for Nursing Home Quality Grants of the Department of Human Services - Division of Medical Services - Nursing Home Quality Grants for the fiscal year ending June 30, 2011, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2010-2011</u>
(01) NURSING HOME QUALITY GRANTS AND AID	\$ <u>1,500,000</u>

1 SECTION 8. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
2 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.  
3 DEPARTMENT OF HUMAN SERVICES GRANTS FUND ACCOUNT. The Department of Human  
4 Services Grants Fund Account shall be used for the following grant programs  
5 to consist of general revenues and any other nonfederal funds, as may be  
6 appropriated by the General Assembly:

- 7 (i) Children's Medical Services;
- 8 (ii) Food Stamp Employment and Training Program;
- 9 (iii) Aid to the Aged, Blind, and Disabled;
- 10 (iv) Transitional Employment Assistance Program;
- 11 (v) Private nursing home care;
- 12 (vi) Infant Infirmary - nursing home care;
- 13 (vii) Public Nursing Home Care;
- 14 (viii) Prescription Drugs;
- 15 (ix) Hospital and Medical Services;
- 16 (x) Child and Family Life Institute;
- 17 (xi) Community Services Block Grant;
- 18 (xii) ARKIDSFIRST;
- 19 (xiii) Child Health Management Services; and
- 20 (xiv) Child Care Grant

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22 SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
23 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL  
24 SERVICES - CHILD AND FAMILY LIFE INSTITUTE. The Child Health and Family Life  
25 Institute shall be administered under the direction of Arkansas Children's  
26 Hospital. Arkansas Children's Hospital shall enter into a cooperative  
27 agreement and/or contract with the University of Arkansas for Medical  
28 Sciences - Department of Pediatrics for services required in delivering the  
29 programs of the Child Health and Family Life Institute. Utilizing a  
30 multidisciplinary collaboration of professionals, the Child Health and Family  
31 Life Institute shall provide a statewide effort to explore, develop and  
32 evaluate new and better ways to address medically, socially and economically  
33 interrelated health and developmental needs of children with special health  
34 care needs and their families. The Child Health and Family Life Institute's  
35 priorities shall include, but are not limited to, wellness and prevention,  
36 screen and diagnosis, treatment and intervention, training and education and

1 research and evaluation.

2 Arkansas Children's Hospital and the University of Arkansas for Medical  
3 Sciences - Department of Pediatrics shall make annual reports to the Arkansas  
4 Legislative Council on all matters of funding, existing programs and services  
5 offered through the Child Health and Family Life Institute.

6 The provisions of this section shall be in effect only from July 1, ~~2007~~  
7 2010 through June 30, ~~2009~~ 2011.

8

9 SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
10 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL  
11 SERVICES - PHARMACEUTICAL DISPENSING FEE SURVEY. No more than two years prior  
12 to making any changes to the current pharmaceutical dispensing fee, the State  
13 shall conduct an independent survey utilizing generally accepted accounting  
14 principles, to determine the cost of dispensing a prescription by pharmacists  
15 in Arkansas. Only factors relative to the cost of dispensing shall be  
16 surveyed. These factors shall not include actual acquisition costs or average  
17 profit or any combination of actual acquisition costs or average profit. The  
18 survey results shall be the basis for establishing the dispensing fee paid to  
19 participating pharmacies in the Medicaid prescription drug program in  
20 accordance with Federal requirements. The dispensing fee shall be no lower  
21 than the cost of dispensing as determined by the survey. Nothing in this  
22 section shall be construed to prohibit the State from increasing the  
23 dispensing fee at any time.

24 The provisions of this section shall be in effect only from July 1, ~~2007~~  
25 2010 through June 30, ~~2009~~ 2011.

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27 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
28 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL  
29 SERVICES - GENERAL MEDICAID RATE METHODOLOGY PROVISIONS.

30 (a) Rates established by the Division of Medical Services for the services  
31 or programs covered by this Act shall be calculated by the methodologies  
32 approved by the Centers for Medicare and Medicaid Services (CMS). The  
33 Division of Medical Services shall have the authority to reduce or increase  
34 rates based on the approved methodology. Further, the Division of Medical  
35 Services shall have the authority to increase or decrease rates for good  
36 cause including, but not limited to: (1) Identification of provider(s) who

1 can render needed services of equal quality at rates less than traditionally  
2 charged and who meet the applicable federal and state laws, rules and  
3 regulations pertaining to the provision of a particular service;

4 (2) Identification that a provider or group of providers has consistently  
5 charged rates to the Arkansas Medicaid Program greater than to other  
6 purchasers of medical services of similar size;

7 (3) The Division determines that there has been significant changes in the  
8 technology or process by which services are provided by a provider or group  
9 of providers which has affected the costs of providing services, or;

10 (4) A severe economic downturn in the Arkansas economy which has affected the  
11 overall state budget of the Division of Medical Services.

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

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

21 The provisions of this section shall be in effect only from July 1, ~~2007~~  
22 2010 through June 30, ~~2009~~ 2011.

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24 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
25 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND  
26 USAGE AUTHORIZED. The Arkansas Children's Hospital may request the Department  
27 of Human Services - Division of Medical Services to retain in the Department  
28 of Human Services Grant Fund account an amount not to exceed \$2,100,000 from  
29 funds made available by this Act for the Child and Family Life Institute,  
30 Section 4, item number 06 to be used to match federal funds used for  
31 supplemental Medicaid payments to Arkansas Children's Hospital. These  
32 retained funds shall not be recovered to transfer to the General Revenue  
33 Allotment Reserve Fund.

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35 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
36 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STATE

1 PLAN. The State Plan must include the provision of EPSDT services as those  
2 services are defined in §1396d(r). See §§ 1396a(a)(10)(A), 1396d(a)(4)(B);  
3 see also 1396a(a)(43). Section 1396d(r) lists in detail the screening  
4 services, vision services, dental services, and hearing services that the  
5 State Plan must expressly include, but with regard to treatment services, it  
6 states that EPSDT means "[s]uch other necessary health care, diagnostic  
7 services, treatment, and other measures described in subsection (a) of this  
8 section to correct or ameliorate defects and physical and mental illnesses  
9 and conditions discovered by the screening services, whether or not such  
10 services are covered under the State plan." 42 U.S.C. § 1396d(r)(5) (emphasis  
11 added). Reading §1396a, § 1396d(a), and § 1396d(r) together, we believe that  
12 the State Plan need not specifically list every treatment service conceivably  
13 available under the EPSDT mandate.

14 The State Plan, however, must pay part or all of the cost of treatments to  
15 ameliorate conditions discovered by the screening process when those  
16 treatments meet the definitions set forth in § 1396a. See §1396d(r)(5); see  
17 also §§1396a(a)(10), 1396a(a)(43), and 1396d(a)(4)(B). The Arkansas State  
18 Plan states that the "State will provide other health care described in [42  
19 U.S.C. 1396d(a)] that is found to be medically necessary to correct or  
20 ameliorate defects and physical and mental illnesses and conditions  
21 discovered by the screening services, even when such health care is not  
22 otherwise covered under the State Plan." See State Plan Under Title XIX of  
23 the Social Security Act Medical Assistance Program, State Of Arkansas at  
24 §4.b. This provision Meets the EPSDT mandate of the Medicaid Act.

25 We affirm the district court's decision to the extent that it holds that a  
26 Medicaid-Eligible individual has a federal right to early intervention day  
27 treatment when a physician recommends such treatment. Section 1396d(r)(5)  
28 states that EPSDT includes any treatments or measures outlined in §1396d(a).  
29 There are twenty-seven sub-parts to §1396d(a), and we find that sub-part  
30 (a)(13), in particular, when read with the other sections of the Medicaid Act  
31 listed above, mandates that early intervention day treatment be provided when  
32 it is prescribed by a physician. See 42 U.S.C. §1396d(a)(13) (defining  
33 medical assistance reimbursable by Medicaid as "other diagnostic, screening,  
34 preventive, and rehabilitative services, including any medical or remedial  
35 services recommended by a physician...for the maximum reduction of physical  
36 and mental disability and restoration of an individual to the best possible

1 functional level"). Therefore, after CHMS clinic staff perform a diagnostic  
2 evaluation of an eligible child, if the CHMS physician prescribes early  
3 intervention day treatment as a service that would lead to the maximum  
4 reduction of medical and physical disabilities and restoration of the child  
5 to his or her best possible functional level, the Arkansas State Plan must  
6 reimburse the treatment. Because CHMS clinics are the only providers of early  
7 intervention day treatment, Arkansas must reimburse those clinics.

8

9 SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS  
10 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL  
11 SERVICES - STATE MEDICAID PROGRAM/PERSONAL CARE PROGRAM.

12 (a) It is the legislative intent that the Department of Human Services in  
13 its administration of the Arkansas Medicaid Program set forth Medicaid  
14 provider participation requirements for "personal care providers" that will  
15 insure sufficient available providers to meet the required needs of all  
16 eligible recipients, to include insuring available in home services twenty-  
17 four (24) hours a day and seven (7) days a week for personal care.

18 (b) For the purposes of this section, "private care agencies" are defined  
19 as those providers licensed by the Department of Labor, certified as  
20 ElderChoices Providers and who furnish in home staffing services for respite,  
21 chore services, and homemaker services, and are covered by liability  
22 insurance of not less than one million dollars (\$1,000,000) covering their  
23 employees and independent contractors while they are engaged in providing  
24 services, such as personal care, respite, chore services, and homemaker  
25 services.

26 (c) The purpose of this section is to allow the private care agencies  
27 defined herein to be eligible to provide Medicaid reimbursed personal care  
28 services seven (7) days a week, and does not supercede Department of Human  
29 Services rules establishing monthly benefit limits and prior authorization  
30 requirements.

31 (d) The availability of providers shall not require the Department of  
32 Human Services to reimburse for twenty-four (24) hours per day of personal  
33 care services.

34 (e) The Arkansas Department of Human Services, Medical Services Division  
35 shall take such action as required by the Centers for Medicare and Medicaid  
36 Services to amend the Arkansas Medicaid manual to include, private care

1 agencies, as qualified entities to provide Medicaid reimbursed personal care  
2 services.

3 (f) The private care agencies shall comply with rules and regulations  
4 promulgated by the Arkansas Department of Health which shall establish a  
5 separate licensure category for the private care agencies for the provision  
6 of Medicaid reimbursable personal care services seven (7) days a week.

7 (g) The Arkansas Department of Health shall supervise the conduct of the  
8 personal care agencies defined herein.

9 (h) The purpose of this section is to insure the care provided by the  
10 private care agencies, is consistent with the rules and regulations of the  
11 Arkansas Department of Health.

12 The provisions of this section shall be in effect only from July 1, ~~2009~~  
13 2010 through June 30, ~~2010~~ 2011.

14

15 *SECTION 15. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS*  
16 *CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. REVIEW OF*  
17 *RULES IMPACTING STATE MEDICAID COSTS. (a) In light of the rapidly rising*  
18 *potential costs to the State attributable to the Medicaid program and the*  
19 *importance of Medicaid expenditures to the health and welfare of the citizens*  
20 *of this State, the General Assembly finds it desirable to exercise more*  
21 *thorough review of future proposed changes to rules that might impact those*  
22 *costs or expenditures.*

23 *(b) As used in this section, "rule impacting state Medicaid costs" means*  
24 *a proposed rule, as defined by § 25-15-202(8), or a proposed amendment to an*  
25 *existing rule, as defined by § 25-15-202(8), that would, if adopted, adjust*  
26 *Medicaid reimbursement rates, Medicaid eligibility criteria, or Medicaid*  
27 *benefits, including without limitation a proposed rule or a proposed*  
28 *amendment to an existing rule seeking to accomplish the following:*

29 *(1) Reduce the number of individuals covered by Arkansas Medicaid;*

30 *(2) Limit the types of services covered by Arkansas Medicaid;*

31 *(3) Reduce the utilization of services covered by Arkansas Medicaid;*

32 *(4) Reduce provider reimbursement;*

33 *(5) Increase consumer cost-sharing;*

34 *(6) Reduce the cost of administering Arkansas Medicaid;*

35 *(7) Increase Arkansas Medicaid revenues; or*

36 *(8) Reduce fraud and abuse in the Arkansas Medicaid program.*

1 (c)(1) In addition to filing requirements under the Arkansas  
2 Administrative Procedure Act, § 25-15-201 et seq., and § 10-3-309, the  
3 Department of Human Services shall, at least thirty (30) days before the  
4 expiration of the period for public comment, file a proposed rule impacting  
5 state Medicaid costs or a proposed amendment to an existing rule impacting  
6 state Medicaid costs with the Senate Interim Committee on Public Health,  
7 Welfare, and Labor and the House Interim Committee on Public Health, Welfare,  
8 and Labor, or, when the General Assembly is in session, with the Senate  
9 Committee on Public Health, Welfare, and Labor and the House Committee on  
10 Public Health, Welfare and Labor.

11 (2) Any review of the proposed rule or proposed amendment to an  
12 existing rule by the Senate and House Interim Committees on Public Health,  
13 Welfare and Labor or the Senate and House Committees on Public Health,  
14 Welfare, and Labor shall occur within forty-five (45) days of the date the  
15 proposed rule or proposed amendment to an existing rule is filed with the  
16 committees.

17 (d)(1) If adopting an emergency rule impacting state Medicaid costs, in  
18 addition to the filing requirements under the Arkansas Administrative  
19 Procedure Act, § 25-15-201 et seq. and § 10-3-309, the Department of Human  
20 Services shall notify the Speaker of the House of Representatives, the  
21 President Pro Tempore of the Senate, the chair of the Senate Committee on  
22 Public Health, Welfare, and Labor, and the chair of the House Committee on  
23 Public Health, Welfare and Labor of the emergency rule and provide each of  
24 them a copy of the rule within five (5) business days of adopting the rule.

25 (2) Any review of the emergency rule by the Senate and House Interim  
26 Committees on Public Health, Welfare and Labor or the Senate and House  
27 Committees on Public Health, Welfare, and Labor shall occur within forty-five  
28 (45) days of the date the emergency rule is provided to the chairs.

29 (e)(1) The Joint Budget Committee may review a rule impacting state  
30 Medicaid costs during a regular, fiscal, or special session of the General  
31 Assembly.

32 (2) Actions taken by the Joint Budget Committee when reviewing a rule  
33 impacting state Medicaid costs shall have the same effect as actions taken by  
34 the Legislative Council under § 10-3-309.

35 (3) If the Joint Budget Committee reviews a rule impacting state  
36 Medicaid costs, it shall file a report of its actions with the Legislative

1 Council as soon as practicable.

2 (f) This section expires on June 30, 2011.

3  
4 SECTION 16. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized  
5 by this act shall be limited to the appropriation for such agency and funds  
6 made available by law for the support of such appropriations; and the  
7 restrictions of the State Procurement Law, the General Accounting and  
8 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary  
9 Procedures and Restrictions Act, or their successors, and other fiscal  
10 control laws of this State, where applicable, and regulations promulgated by  
11 the Department of Finance and Administration, as authorized by law, shall be  
12 strictly complied with in disbursement of said funds.

13  
14 SECTION 17. LEGISLATIVE INTENT. It is the intent of the General Assembly  
15 that any funds disbursed under the authority of the appropriations contained  
16 in this act shall be in compliance with the stated reasons for which this act  
17 was adopted, as evidenced by the Agency Requests, Executive Recommendations  
18 and Legislative Recommendations contained in the budget manuals prepared by  
19 the Department of Finance and Administration, letters, or summarized oral  
20 testimony in the official minutes of the Arkansas Legislative Council or  
21 Joint Budget Committee which relate to its passage and adoption.

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23 SECTION 18. EMERGENCY CLAUSE. It is found and determined by the General  
24 Assembly, that the Constitution of the State of Arkansas prohibits the  
25 appropriation of funds for more than a one (1) year period; that the  
26 effectiveness of this Act on July 1, 2010, with the exception that Section 15  
27 in this Act shall be in full force and effect from and after the date of its  
28 passage and approval, is essential to the operation of the agency for which  
29 the appropriations in this Act are provided, and that in the event of an  
30 extension of the legislative session, the delay in the effective date of this  
31 Act beyond July 1, 2010, with the exception that Section 15 in this Act shall  
32 be in full force and effect from and after the date of its passage and  
33 approval, could work irreparable harm upon the proper administration and  
34 provision of essential governmental programs. Therefore, an emergency is  
35 hereby declared to exist and this Act being necessary for the immediate  
36 preservation of the public peace, health and safety shall be in full force

1 and effect from and after July 1, 2010, with the exception that Section 15 in  
2 this Act shall be in full force and effect from and after the date of its  
3 passage and approval.

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*/s/ Joint Budget Committee*

**APPROVED: 2/26/2010**