

Stricken language will be deleted and underlined language will be added.
Act 1068 of the Regular Session

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

As Engrossed: S3/24/11
A Bill

SENATE BILL 187

5 By: Joint Budget Committee
6

7 **For An Act To Be Entitled**

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
9 AND OPERATING EXPENSES FOR THE DEPARTMENT OF HUMAN
10 SERVICES - DIVISION OF MEDICAL SERVICES FOR THE
11 FISCAL YEAR ENDING JUNE 30, 2012; AND FOR OTHER
12 PURPOSES.
13
14

15 **Subtitle**

16 AN ACT FOR THE DEPARTMENT OF HUMAN SERVICES
17 - DIVISION OF MEDICAL SERVICES
18 APPROPRIATION FOR THE 2011-2012 FISCAL
19 YEAR.
20
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established
25 for the Department of Human Services - Division of Medical Services for the
26 2011-2012 fiscal year, the following maximum number of regular employees.
27

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2011-2012
32	(1) L016N	REGISTERED PHARMACIST	6	GRADE N911
33	(2) N022N	DHS DEP DIR MEDICAL SERVICES	1	GRADE N910
34	(3) N080N	DHS/DMS ASSISTANT DIRECTOR - FISCAL	2	GRADE N907
35	(4) N099N	DHS/DMS ADD - LONG TERM CARE	1	GRADE N906
36	(5) N100N	DHS/DMS ADD - MEDICAL SERVICES	2	GRADE N906



1	(6)	N110N	DHS ASST DIR CONTRACT MONITORING UNIT	1	GRADE N905
2	(7)	D007C	INFORMATION SYSTEMS MANAGER	1	GRADE C128
3	(8)	A016C	DHS DMS BUSINESS OPERATIONS MANAGER	9	GRADE C127
4	(9)	L010C	DHS DMS MEDICAL ASSISTANCE MANAGER	9	GRADE C125
5	(10)	L009C	NURSE MANAGER	5	GRADE C125
6	(11)	A031C	ASSISTANT CONTROLLER	1	GRADE C124
7	(12)	B023C	ENGINEER, P.E.	1	GRADE C124
8	(13)	L020C	NURSING SERVICES UNIT MANAGER	2	GRADE C123
9	(14)	L019C	REGISTERED NURSE COORDINATOR	5	GRADE C123
10	(15)	A044C	AUDIT COORDINATOR	1	GRADE C122
11	(16)	G099C	DHS PROGRAM ADMINISTRATOR	16	GRADE C122
12	(17)	L027C	REGISTERED NURSE SUPERVISOR	14	GRADE C122
13	(18)	A052C	ACCOUNTING COORDINATOR	1	GRADE C121
14	(19)	A047C	FINANCIAL ANALYST II	1	GRADE C121
15	(20)	A056C	DHS FINANCIAL SECTION MANAGER	1	GRADE C120
16	(21)	L040C	DIETARY SERVICES DIRECTOR	1	GRADE C120
17	(22)	L038C	REGISTERED NURSE	71	GRADE C120
18	(23)	E023C	TRAINING PROJECT MANAGER	1	GRADE C120
19	(24)	D063C	COMPUTER SUPPORT SPECIALIST	2	GRADE C119
20	(25)	D062C	DATABASE ANALYST	1	GRADE C119
21	(26)	G152C	DHS PROGRAM MANAGER	13	GRADE C119
22	(27)	G147C	GRANTS COORDINATOR	2	GRADE C119
23	(28)	X067C	HEALTH FACILITIES SURVEYOR	21	GRADE C119
24	(29)	D061C	INFORMATION SYSTEMS COORDINATION SPEC	1	GRADE C119
25	(30)	X062C	QUALITY ASSURANCE COORDINATOR	2	GRADE C119
26	(31)	A060C	SENIOR AUDITOR	13	GRADE C119
27	(32)	R024C	ASSISTANT PERSONNEL MANAGER	1	GRADE C118
28	(33)	A081C	AUDITOR	3	GRADE C117
29	(34)	R027C	BUDGET SPECIALIST	2	GRADE C117
30	(35)	G183C	DHS PROGRAM COORDINATOR	8	GRADE C117
31	(36)	L055C	DIETICIAN	3	GRADE C117
32	(37)	D068C	INFORMATION SYSTEMS ANALYST	2	GRADE C117
33	(38)	D067C	INFORMATION SYSTEMS SECURITY ANALYST	1	GRADE C117
34	(39)	G179C	LEGAL SERVICES SPECIALIST	1	GRADE C117
35	(40)	M039C	MEDICAID SERVICES SUPERVISOR	3	GRADE C117
36	(41)	C013C	MEDICAL SERVICES REPRESENTATIVE	4	GRADE C117

1	(42)	G178C	POLICY DEVELOPMENT COORDINATOR	4	GRADE C117
2	(43)	B076C	RESEARCH PROJECT ANALYST	1	GRADE C117
3	(44)	A089C	ACCOUNTANT I	1	GRADE C116
4	(45)	A088C	ASSETS COORDINATOR	1	GRADE C116
5	(46)	X124C	HEALTH FACILITY REVIEWER	1	GRADE C116
6	(47)	A084C	PROGRAM/FIELD AUDIT SPECIALIST	3	GRADE C116
7	(48)	C037C	ADMINISTRATIVE ANALYST	6	GRADE C115
8	(49)	G210C	DHS PROGRAM SPECIALIST	1	GRADE C115
9	(50)	A091C	FISCAL SUPPORT ANALYST	3	GRADE C115
10	(51)	X136C	QUALITY ASSURANCE REVIEWER	1	GRADE C115
11	(52)	C050C	ADMINISTRATIVE SUPPORT SUPERVISOR	1	GRADE C113
12	(53)	L070C	HEALTH CARE ANALYST	19	GRADE C113
13	(54)	C056C	ADMINISTRATIVE SPECIALIST III	25	GRADE C112
14	(55)	A098C	FISCAL SUPPORT SPECIALIST	2	GRADE C112
15	(56)	C073C	ADMINISTRATIVE SPECIALIST II	17	GRADE C109
16	(57)	C087C	ADMINISTRATIVE SPECIALIST I	<u>11</u>	GRADE C106
17			MAX. NO. OF EMPLOYEES	333	

18

19 SECTION 2. EXTRA HELP - OPERATIONS. There is hereby authorized, for
 20 the Department of Human Services - Division of Medical Services for the 2011-
 21 2012 fiscal year, the following maximum number of part-time or temporary
 22 employees, to be known as "Extra Help", payable from funds appropriated
 23 herein for such purposes: seven (7) temporary or part-time employees, when
 24 needed, at rates of pay not to exceed those provided in the Uniform
 25 Classification and Compensation Act, or its successor, or this act for the
 26 appropriate classification.

27

28 SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated,
 29 to the Department of Human Services - Division of Medical Services, to be
 30 payable from the paying account as determined by the Chief Fiscal Officer of
 31 the State, for personal services and operating expenses of the Department of
 32 Human Services - Division of Medical Services - Operations for the fiscal
 33 year ending June 30, 2012, the following:

34

35	ITEM	FISCAL YEAR
36	<u>NO.</u>	<u>2011-2012</u>

1	(01) REGULAR SALARIES	\$16,610,131
2	(02) EXTRA HELP	126,892
3	(03) PERSONAL SERVICES MATCHING	5,060,895
4	(04) OVERTIME	5,000
5	(05) MAINT. & GEN. OPERATION	
6	(A) OPER. EXPENSE	3,468,107
7	(B) CONF. & TRAVEL	246,340
8	(C) PROF. FEES	355,132
9	(D) CAP. OUTLAY	195,000
10	(E) DATA PROC.	0
11	(06) DATA PROCESSING SERVICES	<u>299,600</u>
12	TOTAL AMOUNT APPROPRIATED	<u>\$26,367,097</u>

13

14 SECTION 4. APPROPRIATION - GRANTS. There is hereby appropriated, to
 15 the Department of Human Services - Division of Medical Services, to be
 16 payable from the paying account as determined by the Chief Fiscal Officer of
 17 the State, for grant payments of the Department of Human Services - Division
 18 of Medical Services - Grants for the fiscal year ending June 30, 2012, the
 19 following:

20

21	ITEM	FISCAL YEAR
22	<u>NO.</u>	<u>2011-2012</u>
23	(01) PRIVATE NURSING HOME CARE	\$639,794,311
24	(02) INFANT INFIRMARY	25,389,673
25	(03) PUBLIC NURSING HOME CARE	224,482,374
26	(04) PRESCRIPTION DRUGS	378,738,146
27	(05) HOSPITAL AND MEDICAL SERVICES	3,610,690,170
28	(06) CHILD AND FAMILY LIFE INSTITUTE	2,100,000
29	(07) ARKIDS B PROGRAM	<u>115,642,425</u>
30	TOTAL AMOUNT APPROPRIATED	<u>\$4,996,837,099</u>

31

32 SECTION 5. APPROPRIATION - NURSING HOME CLOSURE COSTS. There is hereby
 33 appropriated, to the Department of Human Services - Division of Medical
 34 Services, to be payable from the Long-Term Care Trust Fund, for the payment
 35 of relocation costs of residents in long-term care facilities, maintenance
 36 and operation of a facility pending correction of deficiencies or closure,

1 and reimbursement of residents for personal funds lost for the fiscal year
2 ending June 30, 2012, the following:

3	4 ITEM	FISCAL YEAR
5	<u>NO.</u>	<u>2011-2012</u>
6	(01) EXPENSES	<u>\$50,000</u>

7
8 SECTION 6. APPROPRIATION - LONG-TERM CARE FACILITY RECEIVERSHIP. There
9 is hereby appropriated, to the Department of Human Services - Division of
10 Medical Services, to be payable from the Long Term Care Facility Receivership
11 Fund Account, for the payment of expenses of long-term care facility
12 receivers as authorized by law of the Department of Human Services - Division
13 of Medical Services - Long-Term Care Facility Receivership for the fiscal
14 year ending June 30, 2012, the following:

16	ITEM	FISCAL YEAR
17	<u>NO.</u>	<u>2011-2012</u>
18	(01) EXPENSES	<u>\$100,000</u>

19
20 SECTION 7. APPROPRIATION - NURSING HOME QUALITY GRANTS. There is
21 hereby appropriated, to the Department of Human Services - Division of
22 Medical Services, to be payable from the Long-Term Care Trust Fund, for
23 Nursing Home Quality Grants of the Department of Human Services - Division of
24 Medical Services - Nursing Home Quality Grants for the fiscal year ending
25 June 30, 2012, the following:

27	ITEM	FISCAL YEAR
28	<u>NO.</u>	<u>2011-2012</u>
29	(01) NURSING HOME QUALITY GRANTS AND AID	<u>\$1,500,000</u>

30
31 SECTION 8. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
32 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
33 DEPARTMENT OF HUMAN SERVICES GRANTS FUND ACCOUNT. The Department of Human
34 Services Grants Fund Account shall be used for the following grant programs
35 to consist of general revenues and any other nonfederal funds, as may be
36 appropriated by the General Assembly:

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

15

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

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

36 The provisions of this section shall be in effect only from July 1, ~~2010~~

1 2011 through June 30, ~~2011~~ 2012.

2

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

18 The provisions of this section shall be in effect only from July 1, ~~2010~~
19 2011 through June 30, ~~2011~~ 2012.

20

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

24 (a) Rates established by the Division of Medical Services for the
25 services or programs covered by this Act shall be calculated by the
26 methodologies approved by the Centers for Medicare and Medicaid Services
27 (CMS). The Division of Medical Services shall have the authority to reduce
28 or increase rates based on the approved methodology. Further, the Division of
29 Medical Services shall have the authority to increase or decrease rates for
30 good cause including, but not limited to: (1) Identification of provider(s)
31 who can render needed services of equal quality at rates less than
32 traditionally charged and who meet the applicable federal and state laws,
33 rules and regulations pertaining to the provision of a particular service;
34 (2) Identification that a provider or group of providers has consistently
35 charged rates to the Arkansas Medicaid Program greater than to other
36 purchasers of medical services of similar size;

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

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

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

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

15 The provisions of this section shall be in effect only from July 1, ~~2010~~
16 2011 through June 30, ~~2011~~ 2012.

17
18 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
19 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND
20 USAGE AUTHORIZED. The Arkansas Children's Hospital may request the Department
21 of Human Services - Division of Medical Services to retain in the Department
22 of Human Services Grant Fund account an amount not to exceed \$2,100,000 from
23 funds made available by this Act for the Child and Family Life Institute,
24 Section 4, item number 06 to be used to match federal funds used for
25 supplemental Medicaid payments to Arkansas Children's Hospital. These
26 retained funds shall not be recovered to transfer to the General Revenue
27 Allotment Reserve Fund.

28
29 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
30 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STATE
31 PLAN. The State Plan must include the provision of EPSDT services as those
32 services are defined in §1396d(r). See §§ 1396a(a)(10)(A), 1396d(a)(4)(B);
33 see also 1396a(a)(43). Section 1396d(r) lists in detail the screening
34 services, vision services, dental services, and hearing services that the
35 State Plan must expressly include, but with regard to treatment services, it
36 states that EPSDT means "[s]uch other necessary health care, diagnostic

1 services, treatment, and other measures described in subsection (a) of this
2 section to correct or ameliorate defects and physical and mental illnesses
3 and conditions discovered by the screening services, whether or not such
4 services are covered under the State plan." 42 U.S.C. § 1396d(r)(5) (emphasis
5 added). Reading §1396a, § 1396d(a), and § 1396d(r) together, we believe that
6 the State Plan need not specifically list every treatment service conceivably
7 available under the EPSDT mandate.

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

19 We affirm the district court's decision to the extent that it holds that
20 a Medicaid-Eligible individual has a federal right to early intervention day
21 treatment when a physician recommends such treatment. Section 1396d(r)(5)
22 states that EPSDT includes any treatments or measures outlined in §1396d(a).
23 There are twenty-seven sub-parts to §1396d(a), and we find that sub-part
24 (a)(13), in particular, when read with the other sections of the Medicaid Act
25 listed above, mandates that early intervention day treatment be provided when
26 it is prescribed by a physician. See 42 U.S.C. §1396d(a)(13) (defining
27 medical assistance reimbursable by Medicaid as "other diagnostic, screening,
28 preventive, and rehabilitative services, including any medical or remedial
29 services recommended by a physician...for the maximum reduction of physical
30 and mental disability and restoration of an individual to the best possible
31 functional level"). Therefore, after CHMS clinic staff perform a diagnostic
32 evaluation of an eligible child, if the CHMS physician prescribes early
33 intervention day treatment as a service that would lead to the maximum
34 reduction of medical and physical disabilities and restoration of the child
35 to his or her best possible functional level, the Arkansas State Plan must
36 reimburse the treatment. Because CHMS clinics are the only providers of early

1 intervention day treatment, Arkansas must reimburse those clinics.

2

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

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

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

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

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

28 (e) The Arkansas Department of Human Services, Medical Services Division
29 shall take such action as required by the Centers for Medicare and Medicaid
30 Services to amend the Arkansas Medicaid manual to include, private care
31 agencies, as qualified entities to provide Medicaid reimbursed personal care
32 services.

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

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

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

6 The provisions of this section shall be in effect only from July 1, ~~2010~~
7 2011 through June 30, ~~2011~~ 2012.

8
9 SECTION 15. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
10 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. REVIEW OF
11 RULES IMPACTING STATE MEDICAID COSTS. (a) In light of the rapidly rising
12 potential costs to the State attributable to the Medicaid program and the
13 importance of Medicaid expenditures to the health and welfare of the citizens
14 of this State, the General Assembly finds it desirable to exercise more
15 thorough review of future proposed changes to rules that might impact those
16 costs or expenditures.

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

23 (1) Reduce the number of individuals covered by Arkansas
24 Medicaid;

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

26 (3) Reduce the utilization of services covered by Arkansas
27 Medicaid;

28 (4) Reduce provider reimbursement;

29 (5) Increase consumer cost-sharing;

30 (6) Reduce the cost of administering Arkansas Medicaid;

31 (7) *Increase Arkansas Medicaid revenues;—~~or~~*

32 (8) *Reduce fraud and abuse in the Arkansas Medicaid program;*

33 (9) Change any of the methodologies used for reimbursement of
34 providers;

35 (10) Seek a new waiver or modification of an existing waiver of
36 any provision under Medicaid, Title XIX, of the Social Security Act,

1 including a waiver that would allow a demonstration project;

2 (11) Participate or seek to participate in Social Security Act
3 Section 1115(a)(1) waiver authority that would allow operation of a
4 demonstration project or program;

5 (12) Participate or seek to participate in a Social Security Act
6 Section 1115(a)(2) request for the Secretary of the Department of Health and
7 Human Services to provide federal financial participation for costs
8 associated with a demonstration project or program;

9 (13) Implement managed care provisions under Section 1932 of
10 Medicaid, Title XIX of the Social Security Act; or

11 (14) Participate or seek to participate in the Centers for
12 Medicare and Medicaid Services Innovation projects or programs.

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

23 (2) Any review of the proposed rule or proposed amendment to an
24 existing rule by the Senate and House Interim Committees on Public Health,
25 Welfare and Labor or the Senate and House Committees on Public Health,
26 Welfare, and Labor shall occur within forty-five (45) days of the date the
27 proposed rule or proposed amendment to an existing rule is filed with the
28 committees.

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

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

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

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

11 (3) If the Joint Budget Committee reviews a rule impacting state
12 Medicaid costs, it shall file a report of its actions with the Legislative
13 Council as soon as practicable.

14 (f) This section expires on June 30, ~~2011~~ 2012.

15

16 SECTION 16. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
17 authorized by this act shall be limited to the appropriation for such agency
18 and funds made available by law for the support of such appropriations; and
19 the restrictions of the State Procurement Law, the General Accounting and
20 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
21 Procedures and Restrictions Act, or their successors, and other fiscal
22 control laws of this State, where applicable, and regulations promulgated by
23 the Department of Finance and Administration, as authorized by law, shall be
24 strictly complied with in disbursement of said funds.

25

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

34

35 SECTION 18. EMERGENCY CLAUSE. It is found and determined by the
36 General Assembly, that the Constitution of the State of Arkansas prohibits

1 the appropriation of funds for more than a one (1) year period; that the
2 effectiveness of this Act on July 1, 2011 is essential to the operation of
3 the agency for which the appropriations in this Act are provided, and that in
4 the event of an extension of the legislative session, the delay in the
5 effective date of this Act beyond July 1, 2011 could work irreparable harm
6 upon the proper administration and provision of essential governmental
7 programs. Therefore, an emergency is hereby declared to exist and this Act
8 being necessary for the immediate preservation of the public peace, health
9 and safety shall be in full force and effect from and after July 1, 2011.

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11 */s/Joint Budget Committee*

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14 **APPROVED: 04/04/2011**
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