

1 State of Arkansas
2 90th General Assembly
3 Second Extraordinary Session, 2016
4

A Bill

DRAFT JMB/JMB
SENATE BILL

5 By: Senator <NA>
6 By: Representative <NA>
7

For An Act To Be Entitled

9 AN ACT TO CONVERT THE HOSPITAL REIMBURSEMENT SYSTEMS
10 UNDER THE ARKANSAS MEDICAID PROGRAM TO DIAGNOSIS-
11 RELATED GROUP METHODOLOGY; AND FOR OTHER PURPOSES.
12
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Subtitle

15 TO CONVERT THE HOSPITAL REIMBURSEMENT
16 SYSTEMS UNDER THE ARKANSAS MEDICAID
17 PROGRAM TO DIAGNOSIS-RELATED GROUP
18 METHODOLOGY.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code Title 20, Chapter 77, Subchapter 1, is
24 amended to add an additional section to read as follows:

25 20-77-132. Diagnosis-related group methodology for hospitals.

26 (a) As used in this section, "diagnosis-related group methodology"
27 means a system of classification of diagnoses and procedures based on the
28 International Classification of Diseases, Ninth Revision, Clinical
29 Modification, also known as ICD-9-CM, including without limitation:

30 (1) The all-patient refined diagnosis-related groups system; and

31 (2) The enhanced ambulatory procedure grouping system.

32 (b) To the extent possible, the Department of Human Services shall
33 convert the hospital reimbursement systems under the Arkansas Medicaid
34 Program to a diagnosis-related group methodology to allow more accurate
35 classification of patient populations and description of mortality risks and
36 severity of patient illness.

1 (c)(1) The department shall promulgate rules to implement this
2 section.

3 (2) The rules adopted under subdivision (c)(1) of this section
4 shall address:

5 (A) How supplemental payments to hospitals shall be
6 considered;

7 (B) Whether funding for the transition from per diem
8 reimbursement to diagnosis-related group methodology shall be provided to
9 hospitals; and

10 (C) Whether certain types of hospital providers shall be
11 exempt from the diagnosis-related group methodology.

12 (d)(1) The department, in coordination with the Arkansas Hospital
13 Association, shall develop a plan for the conversion of the hospital
14 reimbursement systems under the Arkansas Medicaid Program as described in
15 subsection (b) of this section.

16 (2) The conversion plan shall:

17 (A) Include estimates of the impact of the conversion on
18 all state and federal funds used for hospital payment, including without
19 limitation any impact on critical-access hospitals; and

20 (B) Be submitted to the Legislative Council for review
21 within sixty (60) days of the effective date of this section.

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