

1 State of Arkansas As Engrossed: S3/17/15 S3/26/15

2 90th General Assembly

A Bill

3 Regular Session, 2015

SENATE BILL 1019

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5 By: Senator Irvin

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For An Act To Be Entitled

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AN ACT TO AMEND THE ACCESS TO CARE ACT, § 20-77-129;

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TO LOWER THE COST OF CARE AND INCREASE ACCESS TO CARE

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FOR MEDICAID *PATIENTS*; TO DECLARE AN EMERGENCY; AND

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FOR OTHER PURPOSES.

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Subtitle

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TO AMEND THE ACCESS TO CARE ACT, § 20-77-

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129; AND TO LOWER THE COST OF CARE AND

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INCREASE ACCESS TO CARE FOR MEDICAID

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PATIENTS.

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

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SECTION 1. Arkansas Code § 20-77-129 is amended to read as follows:

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20-77-129. Ambulatory surgery centers – Medicaid reimbursement.

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(a) As used in this section:

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(1) “Ambulatory surgery center” means ~~a distinct~~ an entity

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certified by Medicare as an ambulatory surgical center that operates

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~~exclusively~~ for the purpose of providing surgical services to patients ~~not~~

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~~requiring hospitalization~~ and that is eligible to receive reimbursement from

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Medicaid for ambulatory surgery services;

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(2) “Ambulatory Surgery Center Medicaid Procedure Code” means

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appropriate;

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(A) Current Procedural Terminology codes representing

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procedures that do not appear on the Medicare hospital inpatient-only list or

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Medicaid hospital inpatient-only list and that are medically necessary and

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not solely for cosmetic treatment or surgery; or



1 (B) Comparable Current Procedural Terminology codes
 2 adopted and assigned under this section, representing procedures that do not
 3 appear on the Medicaid hospital inpatient only list, are medically necessary,
 4 and are not solely for cosmetic treatment or surgery;

5 ~~(3) "Ambulatory Surgery Center Medicaid reimbursement formula~~
 6 ~~for appropriate implantable devices" means appropriate implantable devices~~
 7 ~~used during appropriate procedures that are reimbursed at a pass-through cost~~
 8 ~~if the combined cost of the appropriate implantable devices is greater than~~
 9 ~~fifty percent (50%) of the reimbursement for the Ambulatory Surgery Center~~
 10 ~~Medicaid Procedure Code;~~

11 ~~(4) "Ambulatory Surgical Center Medicaid reimbursement rate for~~
 12 ~~appropriate procedures" means eighty percent (80%) ninety-five percent (95%)~~
 13 ~~of hospital outpatient procedure department ambulatory surgical center~~
 14 ~~Medicare reimbursement that is currently effective for applicable Ambulatory~~
 15 ~~Surgical Center Medicaid Procedure Codes;~~

16 ~~(5) "Appropriate implantable device" means a device used during~~
 17 ~~an appropriate procedure;~~

18 ~~(6)~~(4) "Appropriate procedure" means a surgical procedure or
 19 other procedure commonly performed in an ambulatory surgery center setting
 20 that is not on;

21 ~~(A) the The Medicaid hospital inpatient-only list or~~
 22 ~~Medicare hospital inpatient-only list; or~~

23 ~~(B) The Medicaid hospital inpatient-only list for which a~~
 24 ~~comparable Current Procedural Terminology code has been adopted and assigned~~
 25 ~~under this section;~~

26 ~~(7) "Healthcare Financing Administration Common Procedure Coding~~
 27 ~~System" means the coding system under the Centers for Medicare and Medicaid~~
 28 ~~Services;~~

29 ~~(5) "Current Procedural Terminology code" means the codes that~~
 30 ~~are commonly used in the healthcare industry to identify services that are~~
 31 ~~provided;~~

32 ~~(8)~~(6) "Hospital inpatient-only list" means a listing kept by
 33 the Centers for Medicare and Medicaid Services of procedures that should be
 34 performed on an inpatient basis only with separately recorded lists for
 35 Medicare and Medicaid for the Medicare population due to one (1) or more of
 36 the following reasons;

1 ~~(A) The nature of the procedure;~~

2 ~~(B) The need for at least twenty-four (24) hours of~~
3 ~~postoperative care; and~~

4 ~~(C) The underlying physical condition of those patients~~
5 ~~most often having the particular procedure;~~

6 ~~(9)(7)~~ “Hospital outpatient procedure department” means a
7 hospital-based ambulatory surgery center that bills in accordance with the
8 Outpatient Hospital Services Medicaid Provider Guide; and

9 ~~(10)(8)~~ “Relative Value Unit” means a service unit value
10 measured in relation to the values of other services and involving a Current
11 Procedural Terminology code that, when multiplied by the conversion factor
12 and a geographical adjustment, creates the compensation level for a
13 particular service.

14 (b) The purpose of this act is to decrease ~~the cost of~~ costs to
15 Medicaid while increasing access to care to Arkansas’s Medicaid population.

16 (c)(1) An appropriate procedure may be performed at an ambulatory
17 surgery center or a hospital outpatient procedure department.

18 (2) If an appropriate procedure is performed at an ambulatory
19 surgery center ~~or at a hospital outpatient procedure department~~, the
20 appropriate procedure and any appropriate implantable devices shall be billed
21 using the Ambulatory Surgery Center Medicaid Procedure Codes and reimbursed
22 pursuant to the Ambulatory Surgery Center Medicaid reimbursement ~~formula~~ rate
23 for appropriate procedures ~~and the Ambulatory Surgical Center Medicaid~~
24 ~~reimbursement formula for appropriate implantable devices.~~

25 ~~(d) If an Ambulatory Surgery Center Medicaid Procedure Code is not on~~
26 ~~the Medicaid hospital inpatient-only list but is on the Medicare hospital~~
27 ~~inpatient-only list, the Ambulatory Surgery Center Medicaid reimbursement~~
28 ~~formula for appropriate procedures shall be eighty percent (80%) of the~~
29 ~~Medicare hospital outpatient procedure department reimbursement for a~~
30 ~~comparable procedure, based on a Relative Value Unit that is not on the~~
31 ~~Medicare hospital inpatient-only list.~~

32 (d)(1) Upon request by, and in consultation with, the Arkansas
33 Ambulatory Surgery Association, its successor, or an ambulatory surgery
34 center, the Department of Human Services may adopt and assign an appropriate
35 Current Procedural Terminology code for an appropriate procedure, based on a
36 Relative Value Unit for a comparable procedure not on the Medicaid hospital

1 inpatient-only list, if the appropriate procedure:

2 (A) Is not on the Medicaid hospital inpatient-only list
3 but is on the Medicare hospital inpatient-only list; or

4 (B) Is a medically necessary surgical service that is not
5 on the Medicaid hospital inpatient-only list, for which there is no
6 corresponding reimbursement value recited in the current Medicare ambulatory
7 surgery center fee schedule.

8 (2) A comparable Current Procedural Terminology code adopted and
9 assigned under this section shall be reimbursed at ninety-five percent (95%)
10 of the Medicare ambulatory surgical center reimbursement rate for the
11 comparable procedure.

12 (3) A request for the adoption and assignment of a comparable
13 Current Procedural Terminology code shall be submitted and approved before
14 the appropriate procedure is performed.

15 (e) A reimbursement payment made under this section may not exceed the
16 Medicaid upper payment limit as established by the Centers for Medicare and
17 Medicaid Services.

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19 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
20 General Assembly of the State of Arkansas that reimbursements under the
21 Arkansas Medicaid Program are subject to federal upper payment limits; that
22 reimbursements under the current law may exceed the federal upper payment
23 limits, requiring the excess cost to be funded entirely through state general
24 revenues; and that this act is immediately necessary to protect the fiscal
25 integrity of the Arkansas Medicaid Program. Therefore, an emergency is
26 declared to exist, and this act being immediately necessary for the
27 preservation of the public peace, health, and safety shall become effective
28 on:

29 (1) The date of its approval by the Governor;

30 (2) If the bill is neither approved nor vetoed by the Governor,
31 the expiration of the period of time during which the Governor may veto the
32 bill; or

33 (3) If the bill is vetoed by the Governor and the veto is
34 overridden, the date the last house overrides the veto.

35 **APPROVED: 04/07/2015**

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