

ARKANSAS SENATE
83rd General Assembly - Regular Session, 2001
Amendment Form

Subtitle of Senate Bill No. 815

"AN ACT TO DEFINE THE RELATIONSHIP BETWEEN THE STATE AND
COMMUNITIES."

Amendment No. 12 to Senate Bill No. 815.

Amend Senate Bill No. 815 as engrossed, S3/22/01:

Page 1, lines 20 and 21 delete "DECLARE A MORATORIUM ON" and substitute
"ESTABLISH A THRESHOLD FOR"

AND

Page 1, delete lines 11 through 16 and substitute the following:

"(2) By January 1, 2002, the Department of Human Services will design and conduct a rate and cost of service review of the reasonable and efficient prospective costs necessarily incurred to provide Medicaid and State covered services within the community to individuals with developmental disabilities. Subject to federal and state funding restrictions the Department of Human Services will fund Medicaid services for persons with developmental disabilities in accordance with findings contained in the review, and provide state funds for those services to which the individuals are entitled under federal and state laws that are not covered by the Medicaid program. By June 30, 2002, the Department of Human Services will adopt regulations and standards, approved pursuant to this act which clearly define the state's responsibility to individuals eligible for services under federal laws, including but not limited to Americans With Disabilities Act (ADA) PL 99-457, PL 94-142, Rehabilitation Act of 1973, Section 504, and state laws, including §20-48-101, 20-48-603 and 20-14-502, and more specifically:

(A) The categories of services and service limits on each category which will be provided through the Medicaid State Plan; and

(B) The categories of services and service limits which will be provided for with state general revenue funds; and

(3) There shall be a quarterly progress report to the Joint Interim Committee on Public Health by the Department of Human Services on the categories of services and respective service limits, service eligibility guidelines for each service component, and the rate structure based on prospective costs.

(4) Nothing in this act shall be construed to imply the adoption

of cost reimbursement methodology as opposed to a reasonable and necessary rate structure based on prospective costs. However, in the event that the Department of Human Services Division of Medical Services develops a new funding mechanism for community-based services provided through the University of Arkansas for Medical Sciences (UAMS) which is a full cost reimbursement methodology with additional state matching funds provided by existing revenues within that system, the new service model shall be developed to interface with the existing community-based programs through interagency agreements that enhance and broaden the level of care without duplicating services in communities which already have an array of services for children, birth to twenty-one (21). University of Arkansas for Medical Sciences will staff twelve (12) regional clinics conducted in coordination with local providers, on a quarterly basis, to provide diagnostic, evaluation, and consultation by the pediatric specialists employed by the University of Arkansas for Medical Sciences to the local professional staffs of community programs. The reimbursement for conducting these Outreach Clinics shall be a part of any new funding model developed for the University of Arkansas for Medical Sciences by the Department of Human Services."

AND

Delete SECTION 3 in its entirety and substitute the following:

"SECTION 3. (a) Eligibility for services and appropriate placement in the least restrictive environment for individuals with developmental disabilities under any of the service models included in the state's Medicaid Plan with Health Care Financing Administration or for services covered from state general revenue dollars shall be made by the Interdisciplinary Team, composed in keeping with federal and state laws pertaining to individuals with special needs, and reviewed by an Independent Review Team under contract with the Department of Human Services, when the individual or individual's parent(s) or legal guardian disputes the Interdisciplinary Team's recommendations for placement and service options. This section does not negate nor preclude the rights of individuals with developmental disabilities under existing federal and state laws.

(b) Subject to approval by the Health Care Financing Administration the Department of Human Services will accept an Individualized Family Service Plan or Individualized Program Plan developed in conformity with all applicable state and federal laws as prior authorization for Medicaid covered therapies provided to persons with developmental disabilities. Prior authorization does not preclude post payment reviews or other utilization control measures.

(c) For individuals with developmental disabilities whom the diagnostic, evaluation and assessments conducted by the Interdisciplinary Team, in conformity with all applicable federal and state laws, are found to fall within the eligibility guidelines adopted pursuant to this act, and the individual's Primary Care Physician, independent of the service provider, serves as the "gatekeeper" and prescribes day treatment services, referred to as developmental day treatment services under the present Developmental Day Treatment Clinic Services model, prior approval is not required for up to five (5) hours of daily services, and no provider shall bill for more than eight (8) hours of daily services. Should the funding model for the day treatment services be changed in the state's Medicaid Plan with Health Care

Financing Administration, the five (5) hours a day shall remain the "floor" for initiation of prior authorization by an independent entity to afford those families who choose to keep their disabled child/adult in the community thereby bearing a considerable responsibility for the care and expenses related to the treatment and care."

AND

Delete SECTION 4 in its entirety and substitute the following:

"SECTION 4. (a) By July 1, 2002, the Department of Human Services division of Developmental Disabilities Services and division of Medical Service shall develop a service/funding model for community-based services which provides access to the same array of multi-disciplinary diagnostic, evaluation and day treatment services to children in communities statewide. It shall not be required that the diagnostic and evaluation component be replicated in every community that operates a day treatment component, however, access and availability to the full array of professional services through alliances, and collaborative efforts under contractual arrangements for the highly trained specialists for diagnostic, evaluation and specialized treatment services as necessary to meet the individual child's needs, shall be required. The new expanded array of services for children opting for community-based services shall not be used as a cost containment tool by offering the children and families less than five (5) hours of day treatment services or fewer service options in the array of community-based services. The types of services and amount of services covered by Medicaid and state general revenue dollars shall be determined in accordance with applicable federal and state laws. The Department of Human Services developed in conformity with all applicable state and federal laws as prior authorization for Medicaid or state services or both. The Department of Human Services shall apply to Health Care Financing Administration for approval of this integrated diagnostic, evaluation and day treatment service model to replace the Child Health Management Services (CHMS) and Developmental Day Treatment Clinic Services (DDTCS) models.

(b)(1) The conversion to the federally mandated Current Procedural Terminology code system of reimbursement shall take into account the intent of this law to provide sources of funding that covers the costs of services to individuals who choose community-based options, within the adopted and approved eligibility standard, including the prescribed treatment services and all required compliance mandates from the federal and state governments.

(2) In the event that it is evident that the Developmental Day Treatment Clinic Services (DDTCS) codes will be excluded by the Health Care Financing Administration (HCFA), the Department of Human Services Division of Medical Services shall take all necessary steps to apply to the Health Care Financing Administration for approval of a service model that will continue to provide an array of community-based service options for children and adults comparable to or greater than those under the present Developmental Day Treatment Clinic Services Model."

AND

PAGE 4, delete lines 9 through 11 and substitute the following:

"processes and procedures required by federal and state mandates will allow community-based programs to provide"

The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Mahony

MF/RTK - 032620010836

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Secretary