

MINUTES

HOUSE & SENATE INTERIM COMMITTEES ON PUBLIC HEALTH, WELFARE AND LABOR

June 22, 2011

The House and Senate Interim Committees on Public Health, Welfare and Labor met Wednesday, June 22, 2011 at 10:00 a.m. in Room 130 at the State Capitol, Little Rock, Arkansas.

Public Health Senate members attending were: Senators Percy Malone, Chair; Randy Laverty, Vice Chair; Jonathan Dismang, Missy Irvin, and Bill Pritchard.

Public Health House members attending were: Representatives Linda Tyler, Chair; Jon Woods, Vice Chair; Fred Allen, Billy Gaskill, Clark Hall, Barry Hyde, Greg Leding, Buddy Lovell, Stephanie Malone, Andy Mayberry, Mark Perry, and Jeff Wardlaw.

Non-Voting Public Health House members attending were: Representatives Jonathan Barnett, Mark Biviano, Bruce Cozart, and Tommy Thompson.

Other legislators attending were: Senators Paul Bookout, Johnny Key, and David Wyatt. Representatives Tommy Baker, Nate Bell, John Burris, John Catlett, Mike Patterson, Nate Steel, and Gary Stubblefield.

Representative Linda Tyler called the meeting to order.

REVIEW OF MINUTES FROM THE MAY 19, 2011 MEETING (EXHIBIT B)

Representative Linda Tyler stated that without objection the minutes would be approved.

VARIOUS AGENCY REPORTS TO BE PRESENTED OR FILED WITH THE PUBLIC HEALTH, WELFARE & LABOR COMMITTEES

ARKANSAS HEALTH SERVICES PERMIT AGENCY—FISCAL YEAR 2010 ANNUAL REPORT

(Handout #1)

Deborah Frazier, Director, Arkansas Health Services Permit Agency, presented the 2010 annual report for review by the committees. Since there were no questions from committee members, Representative Tyler stated the report stands as reviewed.

AGENCY RULES & REGULATIONS WHICH ARE TO BE REVIEWED BY THE COMMITTEES

ARKANSAS DEPARTMENT OF HEALTH, TUBERCULOSIS SCREENING FOR FOREIGN-BORN UNIVERSITY & COLLEGE STUDENTS (EXHIBIT E-1)

Robert Brech, Deputy General Counsel, Arkansas Department of Health, and James Phillips, M.D., Branch Chief, Infectious Diseases, Arkansas Department of Health, presented the proposed rule change. The proposed change would allow acceptance of a blood test instead of the TB skin test to detect tuberculosis in foreign-born university and college students.

Representative Tyler stated the proposed change stands as reviewed.

DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL SERVICES, NATIONAL CORRECT CODING INITIATIVE (OFFICIAL NOTICE ON-004-11) (EXHIBIT E-2)

Jeff Wood, Deputy General Counsel, Department of Human Services, said the proposed change would reduce improper coding and prevent improper payments. State use of the National Correct Coding Initiative (NCCI) is federally mandated.

Rosemary Edgin, Chief Program Administrator, Division of Medical Services, Department of Human Services, said the NCCI was part of health care reform, and most providers are familiar with the NCCI. Marilyn Strickland, Chief Operating Officer, Division of Medical Services, Department of Human Services, said there is an appeal process for the providers, if they think the findings are incorrect. In addition, Ms. Edgin stated the provider may resubmit a claim if the original claim comes back with an NCCI denial.

Representative Tyler stated that without objection the proposed rule stands as reviewed.

DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL SERVICES, ANNUAL NATIONAL CURRENT PROCEDURE TERMINOLOGY CODES (OFFICIAL NOTICE ON-002-11; CPT 2011 CODE CONVERSION AND OFFICIAL NOTICE ON-003-11; HCPCS 2011 CODE CONVERSION)

(EXHIBIT E-3)

Jeff Wood, Deputy General Counsel, Department of Human Services, said this rule is needed to inform providers of the implementation of the 2011 Annual National Current Procedure Terminology Codes (CPT) and the Annual National Healthcare Common Procedure Coding (HCPCS) systems. The deleted procedure codes from the 2010 code books will become non-payable.

This rule is necessary for consistency with procedure codes used by Medicare and other third party payers of medical claims. This change complies with federal regulation.

Representative Tyler stated that without objection the proposed rule stands as reviewed.

DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL SERVICES, AUDIOLOGY SERVICES IN SCHOOL SETTING (HEARING 1-11 AND SECTION V-3-11) (EXHIBIT E-4)

Jeff Wood, Deputy General Counsel, Department of Human Services, stated this regulation will allow audiology services to be performed in the schools and establishes guidelines and criteria to perform these services in the schools.

Representative Tyler stated that without objection the proposed rule stands as reviewed.

DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL SERVICES, REDUCES ARKIDS CO-PAY (ARKIDS 2-11 AND SECTION I-1-11) (EXHIBIT E-5)

Jeff Wood, Deputy General Counsel, Department of Human Services, said this change will reduce the co-pay assessments of ARKids B for hospital first inpatient day and durable medical equipment items from 20% to 10%. This will bring ARKids-B and Section I policy into compliance with federal regulations.

Dan Adams, Project/Program Director, Arkansas Medicaid, Division of Medical Services, Department of Human Services, said the federal law to reduce the ARKids B co-pay was changed in January, 2011.

Representative Tyler recalled Senator Malone's question to Mr. Wood. The question was: "Is this off-set cost temporary or will this budget deficit have to be made up at some point?" Ms. Strickland stated this off-set cost is permanent and will not have to be made up.

Representative Tyler stated that without objection the proposed rule stands as reviewed.

DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL SERVICES, ELDER CHOICES AND ATTENDANT CARE (PROVIDER MANUAL UPDATES; ELDER 3-10 AND APDWVR 2-10)

(EXHIBIT E-6)

Jeff Wood, Deputy General Counsel, Department of Human Services, presented this update that will allow payment of a beneficiary's admission to a hospital and for services provided at the beneficiary's resident facility for the same day, if the provider can verify that services were provided at the respective provider facility before the beneficiary was admitted to the hospital.

The incremental cost for implementing this rule is already in the budget. The Financial Impact Statement contained mathematical errors which were brought to the attention of the Department of Human Service presenters. Ms. Strickland volunteered to take this rule back and correct the mathematical and/or typo errors.

Senator Malone suggested the presenters meet and correct this error, so this rule may stand as reviewed today. Legislators and agency personnel agreed with this suggestion.

DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL SERVICES, REHABILITATIVE SERVICES FOR PERSONS WITH MENTAL ILLNESS (RSPMI) (UPDATE NO. 4-11) (EXHIBIT E-7)

Jeff Wood, Deputy General Counsel, Department of Human Services, said the updates to the provider manual will make the language consistent with the recently promulgated language.

Representative Tyler stated that without objection the proposed rule stands as reviewed.

DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL SERVICES, REHABILITATIVE SERVICES FOR PERSONS WITH MENTAL ILLNESS (RSPMI) (UPDATE NO. 1-11) (EXHIBIT E-8)

Jeff Wood, Deputy General Counsel, Department of Human Services, said effective July 1, 2011, the Youth Outcomes Questionnaire (YOQ) Section 217-101 of the Rehabilitative Services for Persons with Mental Illness (RSPMI) manual will be moved to Section 217.001 and will be revised to indicate the ages of the beneficiaries who must be administered the YOQ instruments.

Representative Tyler stated that without objection the proposed rule stands as reviewed.

DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL SERVICES, PILOT PROGRAM IN NW ARKANSAS SERVICE OPTIONS USING RESOURCES IN COMMUNITY ENVIRONMENT (SOURCE) (NEW-11 AND STATE PLAN AMENDMENT #2009-001) (EXHIBIT E-9)

Representative Tyler announced the committees will pass over Item E-9, and it will be brought back at another time.

DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL SERVICES, SUBSTANCE ABUSE TREATMENT SERVICES (SATS) NEW-11 (EXHIBIT E-10)

Jeff Wood, Deputy General Counsel, Department of Human Services, said the proposed rule will allow the Substance Abuse Treatment Services program to service Medicaid enrolled children and pregnant women. There will be no additional budget impact since the cost was included in the Substance Abuse State Plan Amendment #2010-011 which was promulgated with an effective date of March 1, 2011.

Representative Tyler stated that without objection the proposed rule stands as reviewed.

DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL SERVICES, MANUAL OF COST REIMBURSEMENT RULES FOR LONG TERM CARE FACILITIES ESTATE RECOVERY ADDRESS UPDATE (EXHIBIT E-11)

Jeff Wood, Deputy General Counsel, Department of Human Services, said the proposed rule updates the cost manual to reflect transfer of estate recovery activities from the Office of Chief Counsel to the Third Party Liability Unit.

Representative Tyler asked Mr. Wood to define 'a Third Party Liability Unit'. Mr. Wood asked Michael Crump, Chief Program Administrator, Third Party Liability Unit, Arkansas Medicaid, Medical Services, Department of Human Services, to address Representative Tyler's question. Mr. Crump said this unit collects money for incorrectly paid benefits, and this unit updates the system to insure that Medicaid does not pay out money when there is another responsible party.

Representative Tyler stated that without objection the proposed rule stands as reviewed.

Representative Tyler said Representative Gary Stubblefield noticed a possible mathematical error on Exhibit E-10. Mr. Wood said he would bring both Exhibit E-6 and E-10 back to the table in a few minutes with the necessary corrections.

**DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL SERVICES, MEDICAID
TRANSPORTATION PROVIDER ENROLLMENT (TRANSP 1-11) (EXHIBIT E-12)**

Jeff Wood, Deputy General Counsel, Department of Human Services, stated that Developmental Day Treatment Center Services (DDTCS) transportation providers will no longer have to possess a Commercial Drivers License (CDL). A non-commercial drivers license will be sufficient to transport DDTCS beneficiaries.

Representative Tyler stated that without objection the proposed rule stands as reviewed.

EXHIBITS E-6 & E-10

The mathematical discrepancies of these two exhibits were resolved to the committee's satisfaction. Representative Tyler stated that without objection Exhibit E-6 stands as reviewed and that Exhibit E-10 stands as reviewed.

**ARKANSAS DEPARTMENT OF ENVIRONMENTAL QUALITY (ADEQ), HAZARDOUS WASTE
DIVISION (REGULATION NO. 23, HAZARDOUS WASTE MANAGEMENT) (EXHIBIT E-13)**

Ryan Benefield, Deputy Director, Arkansas Department of Environmental Quality, presented the annual update to Regulation No. 23 of Hazardous Waste Management. This update will adopt federal revisions to the hazardous waste management rules with the proposed four amendments that are outlined in Exhibit E-13.

Representative Tyler stated that without objection the proposed rule stands as reviewed.

The meeting adjourned at 11:10 a.m.