



---

## Arkansas Medicaid Program – Fiscal Impact Estimate for SB 236

Bill Subtitle: TO ESTABLISH LICENSURE FOR PRESCRIBED PEDIATRIC EXTENDED CARE CENTERS BY THE DEPARTMENT OF HEALTH; AND TO REQUIRE THE ARKANSAS MEDICAID PROGRAM TO REIMBURSE PRESCRIBED PEDIATRIC EXTENDED CARE CENTERS.

Annual Estimated Total Impact: **\$ 14,364,734,280**

State Share / SGR Impact: **\$ 4,046,904,765**

Approximately 138,000 children meet the eligibility criteria established by SB 236. The above impact is the total cost if all eligible children received the maximum amount of daily services allowed by the bill.

Total computable fiscal impact is calculated for SFY2024 based on projected utilization and the expected Federal Medical Assistance Percentage (FMAP) for FFY2024. The fiscal impact in future years after SFY2024 will depend on multiple factors including changes in healthcare inflation, utilization, and the FMAP.

**Additional Information:** Arkansas is one of the only states in the nation to continue to provide a clinic-based day program for children with developmental disabilities or delays or physical health needs. The core services of EIDT are occupational therapy, speech therapy, physical therapy, nursing, and day habilitation (works on skills) and serves children birth to 6 years old. They then transfer to kindergarten. Arkansas Medicaid currently serves 48,150 children in an EIDT and the annual cost for the program is \$253,438,233. EIDT benefit recipients average \$12,000 per year per recipient for up to five hours of services per day.

SB 236, in contrast, has broader eligibility criteria that would encompass all current EIDT children plus others, for a total of approximately 138,000 children. SB 236 allows for up to twelve hours of services per day and directs payment by a daily rate. A comparable program in Louisiana pays a daily rate of \$401 per child per day. The total fiscal impact above is calculated as 138,000 children, multiplied by 260 days, multiplied by a daily rate of \$401.