

2 State of Arkansas  
3 88th General Assembly  
4 Regular Session, 2011

# A Bill

SENATE BILL 342

5  
6 By: Senators Lavery, D. Johnson

7 Filed with: Interim Senate Committee on Public Health, Welfare and Labor  
8 pursuant to A.C.A. §10-3-217.

## 9 For An Act To Be Entitled

10 AN ACT TO ESTABLISH A MEDICAID PROVIDER FEE FOR  
11 CHILDREN’S HEALTH MANAGEMENT SERVICES; AND FOR OTHER  
12 PURPOSES.

## 13 14 15 Subtitle

16 TO ESTABLISH A MEDICAID PROVIDER FEE FOR  
17 CHILDREN’S HEALTH MANAGEMENT SERVICES.

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

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22 SECTION 1. Arkansas Code Title 20, Chapter 48 is amended to add an  
23 additional subchapter to read as follows:

24 Subchapter 10 – Provider Fee on Children’s Health Management  
25 Services

26  
27 20-48-1001. Definitions.

28 As used in this subchapter, “Medicaid” means the medical assistance  
29 program established by Title XIX of the Social Security Act, 42 U.S.C. § 1396  
30 et seq., as it existed on January 1, 2011, and administered by the Division  
31 of Medical Services of the Department of Human Services.

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33 20-48-1002. Provider fee.

34 (a) There is assessed a provider fee on children’s health management  
35 services to be calculated in accordance with this section.

1           (b)(1) The Division of Medical Services of the Department of Human  
2 Services shall ensure that the rate of assessment of the provider fee  
3 established in this section does not exceed the maximum rate of assessment  
4 established under federal law and rule for healthcare-related provider fees  
5 without reduction in federal financial participation.

6           (2) If the division determines that the rate of assessment of  
7 the provider fee established in this section exceeds the maximum rate of  
8 assessment that federal law and rule allow without reduction in federal  
9 financial participation, the division shall lower the rate of assessment of  
10 the provider fee to a rate that is equal to the maximum rate that federal law  
11 and rule allow without reduction in federal financial participation.

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13           20-48-1003. Reporting.

14           (a) The payment of the provider fee by a provider of children's health  
15 management services shall be reported as an allowable cost for Medicaid  
16 reimbursement purposes.

17           (b) A provider of children's health management services shall not be  
18 guaranteed, expressly, or otherwise that any additional moneys paid to the  
19 provider for children's health management services will equal or exceed the  
20 amount of its provider fee.

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22           20-48-1004. Administration.

23           (a) The administration of this subchapter shall be exercised by the  
24 Director of the Division of Medical Services of the Department of Human  
25 Services and shall be subject to the Arkansas Administrative Procedure Act, §  
26 25-15-201 et seq.

27           (b)(1) Under the Arkansas Administrative Procedure Act, § 25-15-201 et  
28 seq., the Division of Medical Services of the Department of Health and Human  
29 Services shall adopt rules and prescribe forms for:

30                   (A) The proper imposition and collection of the provider  
31 fee;

32                   (B) The enforcement of this subchapter;

33                   (C) The format for reporting gross receipts; and

34                   (D) The administration of this subchapter.

35           (2) The rules shall not grant any exceptions to or from the  
36 provider fee.

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2 SECTION 2. Arkansas Code Title 19, Chapter 6, Subchapter 8 is amended  
3 to read as follows:

4 19-6-819. Children's Health Management Services Provider Fee Fund.

5 (a)(1) There is created on the books of the Treasurer of State, the  
6 Auditor of State, and the Chief Fiscal Officer of the State a special revenue  
7 fund to be known as the "Children's Health Management Services Provider Fee  
8 Fund".

9 (2)(A) The Children's Health Management Services Provider Fee  
10 Fund shall consist of revenues obtained under § 20-48-1001 et seq. and any  
11 other revenue as may be provided by law.

12 (B) Moneys from the Children's Health Management Services  
13 Provider Fee Fund shall not supplant other local, state, or federal funds.

14 (3) All provider fees assessed and collected under this  
15 subchapter shall be deposited into the State Treasury as special revenue and  
16 credited to the Children's Health Management Services Provider Fee Fund,  
17 there to be used for the support of services to persons with developmental  
18 disabilities.

19 (4)(A) Funds in the Children's Health Management Services  
20 Provider Fee Fund shall be placed in an interest bearing account.

21 (B) Earnings on funds in the Children's Health Management  
22 Services Provider Fee Fund shall remain a part of the Children's Health  
23 Management Services Provider Fee Fund and shall not be deposited into the  
24 General Revenue Fund Account of the State Apportionment Fund.

25 (b) The special revenues in the Children's Health Management Services  
26 Provider Fee Fund unused at the end of a fiscal year shall be carried  
27 forward.

28 (c) The Children's Health Management Services Provider Fee Fund shall  
29 be exempt from budgetary cuts, reductions, or eliminations caused by a  
30 deficiency of general revenues.

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32 Referred by the Arkansas Senate

33 Prepared by: MGF/VJF

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