



ARKANSAS
DEPARTMENT OF
**HUMAN
SERVICES**

**DHS Secretary Kristi Putnam
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September 7, 2023

Hon. Terry Rice, Arkansas Legislative Council Co-Chair
Hon. Jeff Wardlaw, Arkansas Legislative Council Co-Chair
1 Capitol Mall, Fifth Floor
Little Rock, Arkansas 72201

Dear Senator Rice and Representative Wardlaw:

As directed by Section 15 of Act 213 of 2022, I am reporting to Arkansas Legislative Council (ALC) the status of our efforts to increase reimbursement rates under the Living Choices Assisted Living Waiver.

In the August meeting of the ALC, I announced that DHS had disbursed \$2 million for support of assisted living facilities (ALF) on August 10 as bridge funding to assist with continued operations while DHS implements the cost reporting process required by Act 198 of 2023. Five ALFs failed to respond or declined to participate in the \$2 million ARPA project. There is a balance of \$220,987 that will be redistributed to the 48 facilities that chose to participate.

DHS is continuing the work necessary to implement Act 198 of 2023, which authorizes DHS to establish cost reporting for Medicaid-funded assisted living facilities.

In addition, DHS is continuing its broad-based review of the entire Medicaid system, and we will bring forth recommendations later this year to ensure the long-term sustainability of the program. Assisted living payment rates are part of this review process. We look forward to reporting this information to ALC when the review is concluded.

Very respectfully,

A handwritten signature in blue ink, appearing to read 'Kristi Putnam', written over a light blue horizontal line.

Kristi Putnam
Secretary of Human Services