

DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL SERVICES

SUBJECT: Transition of Dental Services

DESCRIPTION:

Statement of Necessity

Dental services provided by the Arkansas Medicaid Children's Health Insurance Program (CHIP) currently operates under a managed care waiver plan titled Healthy Smiles. After careful consideration of dental service utilization, total program cost, and the work underway to ensure a holistic, efficient, and sustainable Medicaid delivery system for all Arkansans, Arkansas Medicaid decided to end the Healthy Smiles Dental Managed Care program and transition to Fee-for-Service (FFS) dental services. This change helps ensure the best access to care for Medicaid beneficiaries and potentially saves state resources. Arkansas Medicaid will end Healthy Smiles and transition dental services to a fee-for-service (FFS) program effective November 1, 2024. To effectuate the change, an amendment to the CHIP state plan is necessary.

Summary

This rule amends the CHIP State Plan to reflect the new FFS program for dental services in the Arkansas Medicaid program.

<u>PUBLIC COMMENT</u>: A public hearing was held on this rule on August 7, 2024. The public comment period expired on August 17, 2024. The agency provided the following public comment summary:

<u>Commenter's Name</u>: Kyndall Rogers, Director, Government Relations, Delta Dental of Arkansas

COMMENT: Delta Dental of Arkansas (DDAR) is appreciative of the opportunity to publicly comment on DHS' amendment to the Arkansas Medicaid Children's Health Insurance Program (CHIP) State Plan.

Delta Dental of Arkansas is honored to have supported the Healthy Smiles Dental Managed Care Program in Arkansas since its inception in 2018, partnering with DHS to serve as one of the two dental managed care organizations serving the Medicaid population. As the leading dental insurer in the state of Arkansas, the Healthy Smiles Dental Managed Care Program is an extension of our mission to improve the oral health of all Arkansans by serving our state through our work with our members, providers, and partner organizations.

Delta Dental of Arkansas is proud of the impact the Healthy Smiles Dental Manage Care Program had on access to care and providing Medicaid beneficiaries the oral care they need. Since 2018, Delta Dental of Arkansas has managed benefits for an average of

1

325,000 beneficiaries, with children comprising over 70% of our total enrollment. The organization handled over 2.2 million dental claims while acting as steward for the program and DHS through above-and-beyond outreach, education, and community service for our beneficiaries. The Dental Managed Care Program successfully navigated the challenges of the COVID-19 pandemic and Public Health Emergency, supporting DHS during record high enrollment and throughout the redetermination process since 2023.

Overall, the Dental Managed Care Program in Arkansas was successful, especially in driving improved dental health outcomes for child beneficiaries. Notably, utilization of dental services outpaced national Medicaid and commercial averages, increasing by 9% since the beginning of Dental Managed Care Program compared to -5% for national Medicaid.

According to CMS, utilization rates across all core categories of care, Arkansas' national ranking improved since 2019, with the state's ranking rising from 47th to 13th overall. Delta Dental of Arkansas is proud to have supported DHS in achieving these care improvements, as both organizations leveraged their respective expertise to promote utilization of necessary oral health care.

As DHS undergoes the transition from managed care to fee-for-service, we encourage that patients and providers remain the priority for the state and the dental Medicaid program going forward. Medicaid beneficiaries are among the state's most vulnerable, and the fee-for-service program and associated processes must ensure their oral health needs are met without undue burden or complexity. We hope that enrollment, provider credentialing, and other core functions are seamlessly implemented, and that the state continues to prioritize increasing utilization of quality dental care despite the impacts of the change to a fee-for-service model.

While Delta Dental of Arkansas is disappointed in the decision to return the state to a feefor-service model in November 2024, our organization continues to fulfill our contract requirements and stands ready to support any future opportunities to serve this important Program. We thank all our partners, providers, and beneficiaries who entrusted their oral health care in Delta Dental of Arkansas and look forward to continuing our role as dental champions in Arkansas.

RESPONSE: The Department of Human Services appreciates the feedback from Delta Dental of Arkansas to its proposed amendment to the Arkansas Medicaid Children's Health Insurance Program (CHIP) State Plan. DHS appreciates Delta Dental's partnership in the Healthy Smiles program and its continued cooperation and assistance as Arkansas Medicaid transitions from offering dental services through a managed care model to traditional fee for service. Further we appreciate the services Delta Dental provided for its Medicaid beneficiaries and for helping them navigate dental services even through the COVID-19 pandemic that began in 2020.

We would like to clarify the statistics Delta Dental offered in its public comment and provide some additional context. We believe Delta Dental is relying on data collected by CMS to monitor state Medicaid programs' Early and Periodic Screening Diagnostic, and Treatment (EPSDT) services for children. CMS develops the EPSDT report by pulling data from Arkansas Medicaid's data system. The data for 2018 appears to be an anomaly, perhaps due to the change in our claims system newly receiving data from Delta Dental and MCNA, rather than relying on traditional Medicaid claims data. Excluding 2018, it's clear there has been little improvement over time in the children's utilization of dental services (percent of eligible beneficiaries who received any dental services).

	2017	2018	2019	2020	2021
US	50%	50%	50%	42%	45%
AR	49%	41%	50%	44%	49%

While Arkansas's state ranking may have improved due to the 2018 data anomaly and the circumstances in other states, our results have not trended upward.

Adult utilization of dental preventive services does not appear to have improved either. The table below shows the results reported annually by each dental managed care organization to Medicaid's independent reviewer.

	2019	2020	2021	2022
Delta Dental	12.8%	9.8%	11.1%	10.2%
MCNA	11.2%	9.1%	8.9%	8.5%

Arkansas Medicaid must serve as a good fiscal steward of the limited dollars the state has and ensure spending for dental services results in improved care. We understand the move to fee for service may present some operational challenges, as all change does, but we are working tirelessly to ensure a smooth transition that ultimately benefits our beneficiaries, dental providers and Arkansas taxpayers.

The proposed effective date is November 1, 2024.

FINANCIAL IMPACT: The agency indicated that this rule has no financial impact.

LEGAL AUTHORIZATION: The Department of Human Services has the responsibility to administer assigned forms of public assistance and is specifically authorized to maintain an indigent medical care program (Arkansas Medicaid). *See* Ark. Code Ann. §§ 20-76-201(1), 20-77-107(a)(1). The Department has the authority to make rules that are necessary or desirable to carry out its public assistance duties. Ark. Code Ann. § 20-76-201(12). The Department and its divisions also have the authority to promulgate rules as necessary to conform their programs to federal law and receive federal funding. Ark. Code Ann. § 25-10-129(b).



Office of Policy and Rules

P.O. Box 1437, Slot S295, Little Rock, AR 72203-1437 P: 501.320.6383 F: 501.404.4619

July 18, 2024

Mrs. Rebecca Miller-Rice Administrative Rules Review Section Arkansas Legislative Council Bureau of Legislative Research #1 Capitol, 5th Floor Little Rock, AR 72201

Dear Mrs. Rebecca Miller-Rice:

Re: Transition of Dental Services

Please arrange for this rule to be reviewed by the ALC-Administrative Rules Subcommittee. If you have any questions or need additional information, please contact me at 501-320-6383 or by emailing Mac.E.Golden@dhs.arkansas.gov.

Sincerely,

Mac Golden Deputy Chief

Mac Golden

Attachments

QUESTIONNAIRE FOR FILING PROPOSED RULES WITH THE ARKANSAS LEGISLATIVE COUNCIL

	PARTMENT				
	ARD/COMMISSION				
	ARD/COMMISSION DIRECTOR				
	NTACT PERSON				
	DRESS				
PHO	PHONE NO EMAIL =				
NAM	NAME OF PRESENTER(S) AT SUBCOMMITTEE MEETING				
PRE	SENTER EMAIL(S)				
	INSTRUCTIONS				
Ques what	rder to file a proposed rule for legislative review and approval, please submit this Legislative stionnaire and Financial Impact Statement, and attach (1) a summary of the rule, describing t the rule does, the rule changes being proposed, and the reason for those changes; (2) both a kup and clean copy of the rule; and (3) all documents required by the Questionnaire.				
of Ro	the rule is being filed for permanent promulgation, please email these items to the attention ebecca Miller-Rice, miller-ricer@blr.arkansas.gov, for submission to the Administrative es Subcommittee.				
Dire	e rule is being filed for emergency promulgation, please email these items to the attention of ctor Marty Garrity, garritym@blr.arkansas.gov , for submission to the Executive committee.				
Pleas	se answer each question completely using layman terms.				
****	******************************				
1.	What is the official title of this rule?				
2.	What is the subject of the proposed rule?				
3.	Is this rule being filed under the emergency provisions of the Arkansas Administrative Procedure Act? Yes No				
	If yes, please attach the statement required by Ark. Code Ann. § $25-15-204(c)(1)$.				
	If yes, will this emergency rule be promulgated under the permanent provisions of the Arkansas Administrative Procedure Act? Yes No				

4.	Is this rule being filed for permanent promulgation? Yes No
	If yes, was this rule previously reviewed and approved under the emergency provisions of the Arkansas Administrative Procedure Act? Yes No
	If yes, what was the effective date of the emergency rule?
	On what date does the emergency rule expire?
5.	Is this rule required to comply with a <i>federal</i> statute, rule, or regulation? Yes No
	If yes, please provide the federal statute, rule, and/or regulation citation.
6	Is this rule required to comply with a <i>state</i> statute or rule? Yes No
6.	Is this rule required to comply with a <i>state</i> statute or rule? Yes No
	If yes, please provide the state statute and/or rule citation.
7.	Are two (2) rules being repealed in accord with Executive Order 23-02? Yes No
	If yes, please list the rules being repealed.
	If no, please explain.
8.	Is this a new rule? Yes No
	Does this repeal an existing rule? Yes No If yes, the proposed repeal should be designated by strikethrough. If it is being replaced with a new rule, please attach both the proposed rule to be repealed and the replacement rule.
	Is this an amendment to an existing rule? Yes No If yes, all changes should be indicated by strikethrough and underline. In addition, please be

sure to label the markup copy clearly as the markup.

9.	What is the state law that grants the agency its rulemaking authority for the proposed rule, outside of the Arkansas Administrative Procedure Act? Please provide the specific Arkansas Code citation(s), including subsection(s).
10.	Is the proposed rule the result of any recent legislation by the Arkansas General Assembly? Yes No
	If yes, please provide the year of the act(s) and act number(s).
11.	What is the reason for this proposed rule? Why is it necessary?

12.	provided in Ark. Code Ann. § 25-19-108(b)(1).
13.	Will a public hearing be held on this proposed rule? Yes No
	If yes, please complete the following:
	Date:
	Time:
	Place:
Plea	se be sure to advise Bureau Staff if this information changes for any reason.
14.	On what date does the public comment period expire for the permanent promulgation of the rule? Please provide the specific date.
15.	What is the proposed effective date for this rule?
16.	Please attach (1) a copy of the notice required under Ark. Code Ann. § 25-15-204(a)(1) and (2) proof of the publication of that notice.
17.	Please attach proof of filing the rule with the Secretary of State, as required by Ark. Code Ann. § 25-15-204(e)(1)(A).
18.	Please give the names of persons, groups, or organizations that you anticipate will comment on these rules. Please also provide their position (for or against), if known.
19.	Is the rule expected to be controversial? Yes No
	If yes, please explain.

NOTICE OF RULEMAKING

The Department of Human Services announces for a public comment period of thirty (30) calendar days a notice of rulemaking for the following proposed rule under one or more of the following chapters, subchapters, or sections of the Arkansas Code: §§ 25-10-129, 20-76-201, and 20-77-107. The proposed effective date of the rule is November 1, 2024.

The Director of the Division of Medical Services (DMS) amends the Arkansas Medicaid Children's Health Insurance Program (CHIP) State Plan. After careful consideration of dental service utilization, total program cost, and a holistic, efficient, and sustainable Medicaid delivery system for all Arkansans, Arkansas Medicaid will end the Healthy Smiles Dental Managed Care program and transition to Fee-for-Service (FFS) dental services as they existed prior to creation of Healthy Smiles. This rule amends the CHIP State Plan to reflect the new FFS program. There is no fiscal impact.

The proposed rule is available for review at the Department of Human Services (DHS) Office of Policy and Rules, 2nd floor Donaghey Plaza South Building, 7th and Main Streets, P. O. Box 1437, Slot S295, Little Rock, Arkansas 72203-1437. You may also access and download the proposed rule at ar.gov/dhs-proposed-rules. Public comments must be submitted in writing at the above address or at the following email address: ORP@dhs.arkansas.gov. All public comments must be received by DHS no later than August 17, 2024. Please note that public comments submitted in response to this notice are considered public documents. A public comment, including the commenter's name and any personal information contained within the public comment, will be made publicly available and may be seen by various people.

A public hearing will be held by remote access through Zoom. Public comments may be submitted at the hearing. The details for attending the Zoom hearing appear at ar.gov/dhszoom.

If you need this material in a different format, such as large print, contact the Office of Policy and Rules at 501-320-6428. The Arkansas Department of Human Services is in compliance with Titles VI and VII of the Civil Rights Act and is operated, managed, and delivers services without regard to religion, disability, political affiliation, veteran status, age, race, color, or national origin. 4502201653

Elizabeth Pitman, Director Division of Medical Services From: Legal Ads
To: Jack Tiner

Subject: Re: FULL RUN AD (R288)

Date: Tuesday, July 16, 2024 4:03:55 PM

Attachments: image001.png image002.png

[EXTERNAL SENDER]

Will run Fri 7/19, Sat 7/20, and Sun 7/21

Thank you.

Gregg Sterne, Legal Advertising Arkansas Democrat-Gazette legalads@arkansasonline.com

From: "Jack Tiner" <jack.tiner@dhs.arkansas.gov> **To:** "legalads" <legalads@arkansasonline.com>

Cc: "Mac Golden" < Mac.E. Golden@dhs.arkansas.gov>, "Jack Tiner"

<jack.tiner@dhs.arkansas.gov>, "Lakeya Gipson"

<Lakeya.Gipson@dhs.arkansas.gov>, "Elaine Stafford"

<elaine.stafford@dhs.arkansas.gov>

Sent: Tuesday, July 16, 2024 1:56:38 PM

Subject: FULL RUN AD (R288)

Please reply to this email using REPLY ALL.

Please run the attached Notice in the Arkansas Democrat-Gazette on the following three days:

- Friday, July 19, 2024
- Saturday, July 20, 2024
- Sunday, July 21, 2024

I am aware that the print version will only be provided to all counties on Sundays.

Invoice to: AR Dept of Human Services

OPR, ATTN: Lakeya Gipson

P.O. Box 1437, Slot S295

Little Rock, AR 72203-8068

Lakeya.Gipson@dhs.arkansas.gov

Thank you.

From: <u>Jack Tiner</u>

To: register@sos.arkansas.gov

Cc: <u>Mac Golden; Jack Tiner; JAMIE EWING; Lakeya Gipson</u>

Subject: DHS/DMS--Proposed Filing--Transition of Dental Services (Rule 288)

Date: Wednesday, July 17, 2024 3:33:04 PM

Attachments: SoS-Proposed Filing-Transition of Dental Services (R288).pdf

image001.png image002.png

Please find attached the proposed filing packet for the rule titled: *Transition of Dental Services*.

This Notice of rulemaking will be published in the Arkansas Democrat Gazette from July 19 through July 21,2024. The public comment period will end August 17, 2024.

Please let me know if you have any questions. Thank you.



OFFICE OF POLICY AND RULES
DHS/DMS MEDICAL ASSISTANCE MANAGER

P: 501.251.6535 F: 501.404.4619 700 Main St., Slot S295 Little Rock, AR 72203 Jack.Tiner@dhs.arkansas.gov

humanservices.arkansas.gov



This email may contain sensitive or confidential information.

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FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY.

DEI	PARTMENT_
	ARD/COMMISSION
PER	RSON COMPLETING THIS STATEMENT
TEL	LEPHONE NOEMAIL
emai	comply with Ark. Code Ann. § 25-15-204(e), please complete the Financial Impact Statement and il it with the questionnaire, summary, markup and clean copy of the rule, and other documents. se attach additional pages, if necessary.
TIT	LE OF THIS RULE_
1.	Does this proposed, amended, or repealed rule have a financial impact? Yes No
2.	Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule? Yes No
3.	In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes No
	If no, please explain:
	(a) how the additional benefits of the more costly rule justify its additional cost;
	(b) the reason for adoption of the more costly rule;
	(c) whether the reason for adoption of the more costly rule is based on the interests of public health, safety, or welfare, and if so, how; and
	(d) whether the reason for adoption of the more costly rule is within the scope of the agency's statutory authority, and if so, how.
4.	If the purpose of this rule is to implement a <i>federal</i> rule or regulation, please state the following:

(a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year	Next Fiscal Year
General Revenue	General Revenue
Federal Funds	Federal Funds
Cash Funds	Cash Funds
Special Revenue	Special Revenue
Other (Identify)	Other (Identify)
Total	Total
(b) What is the additional cost of the st	rate rule?
Current Fiscal Year	Next Fiscal Year
General Revenue	General Revenue
Federal Funds	Federal Funds
Cash Funds	Cash Funds
Special Revenue	Special Revenue
Other (Identify)	Other (Identify)
Total	Total
	al year to any private individual, private entity, or private ded, or repealed rule? Please identify those subject to the . Next Fiscal Year \$
implement this rule? Is this the cost of is affected.	
implement this rule? Is this the cost of	al year to a state, county, or municipal government to the program or grant? Please explain how the government Next Fiscal Year

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes No

If yes, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs:
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

Statement of Necessity and Rule Summary Transition of Dental Services

Statement of Necessity

Dental services provided by the Arkansas Medicaid Children's Health Insurance Program (CHIP) currently operates under a managed care waiver plan titled Healthy Smiles. After careful consideration of dental service utilization, total program cost, and the work underway to ensure a holistic, efficient, and sustainable Medicaid delivery system for all Arkansans, Arkansas Medicaid decided to end the Healthy Smiles Dental Managed Care program and transition to Fee-for-Service (FFS) dental services. This change helps ensure the best access to care for Medicaid beneficiaries and potentially saves state resources. Arkansas Medicaid will end Healthy Smiles and transition dental services to a fee-for-service (FFS) program effective November 1, 2024. To effectuate the change, an amendment to the CHIP state plan is necessary.

Summary

This rule amends the CHIP State Plan to reflect the new FFS program for dental services in the Arkansas Medicaid program.

> CHIP State Plan Amendment (SPA) pages.

antepartum care were provided culminating in delivery or the beneficiary was continuously CHIP eligible for two or more months before delivery and on the delivery date, the global method of billing CHIP for postpartum services provided is used. When less than two months of antepartum care was provided to the Unborn Child program beneficiary or the beneficiary was not CHIP eligible for at least the last two months of the pregnancy, the antepartum/obstetrical care without delivery and the delivery and postpartum care can be billed to CHIP using the itemized billing method.)

 Services that are determined by the physician as medically necessary as, if not provided, could complicate or endanger the eligible Unborn Child program's beneficiary's pregnancy.

E. Healthy Smiles Dental Managed Care Program

The Arkansas Department of Human Services transitioned the Medicaid dental program to a prepaid ambulatory health plan (PAHP) on January 1, 2018. Two vendors were selected to provide state-wide dental benefits:

- a. Delta Dental
- b. Managed Care of North America (MCNA)

In early December 2017, all Arkansas Medicaid and CHIP beneficiaries who are eligible for dental benefits were randomly and evenly assigned to one of the two dental managed care plans. Each plan sent a welcome packet to each member and the members were able to access plan providers starting January 1, 2018, for covered dental services. Both dental vendors will provide the same dental services that were covered under the Medicaid and CHIP fee-for-service program.

Effective November 1, 2024, Arkansas Department of Human Services transitioned the CHIP dental program to the previous fee-for-service arrangement for all covered dental services and is administered by Division of Medical Services.

F. Provider Led Arkansas Shared Savings Entity (PASSE)-MCO Model of care for client with high behavioral health or developmental disabilities service needs.

Effective February 1, 2018, Arkansas included the ARKids-B Title XXI CHIP program beneficiaries as part of its overall 1915(b) waiver implementing a Provider-Led Arkansas Shared Savings Entity (PASSE) Program. As of May 6, 2019, approximately 2,598 children who participate in ARKids-B were also enrolled in a PASSE. More ARKids-B eligible children will be mandatorily enrolled in a PASSE if they are determined to be a Tier 2 or Tier 3 on the Arkansas Independent Assessment (ARIA) for behavioral health or developmental disabilities services.

The PASSE program is an innovative approach to organizing and managing the

SPA # 13, Purpose of SPA:

The state is assuring that it covers age-appropriate vaccines and their administration, without cost sharing.

Proposed effective date: October 1, 2023

Proposed implementation date: October 1, 2023

SPA # 14, Purpose of SPA:

The purpose of this SPA is to improve access to continuous glucose monitors (CGMs) through pharmacy claim submission processing for reimbursement to pharmacies and DME providers. Beneficiaries eligible for CGMs include those with Type 1 diabetes or any other type of diabetes with either insulin use or evidence of level 2 or level 3 hypoglycemia, or beneficiaries diagnosed with glycogen storage disease type 1a. Patch type insulin pumps, blood glucose monitors (BGMs) and testing supplies will be covered in the same manner. Coverage is being extended to comply with Arkansas Act 393 of 2023.

Proposed effective date: April 1, 2024

Proposed implementation date: April 1, 2024

SPA # _15_ , Purpose of SPA:

The purpose of this SPA is to end the Healthy Smiles Managed Care waiver for dental services and transition the dental program to fee-for-services (FFS).

Proposed effective date: November 1, 2024

Proposed implementation date: November 1, 2024

1.4- TC Tribal Consultation (Section 2107(e)(1)(C)) Describe the consultation process that occurred specifically for the development and submission of this state plan amendment, when it occurred and who was involved.

Not applicable, as there are no Indian Health Programs or Urban Indian Organizations in the State of Arkansas

TN No: Approval Date Effective Date _____

Section 2. General Background and Description of Approach to Children's Health Insurance Coverage and Coordination

Guidance: The demographic information requested in 2.1. can be used for State planning and will be used strictly for informational purposes. THESE NUMBERS WILL NOT

Section.	3. <u>Methods of</u>	Delivery and Utilization Controls
e	xpanded eligibility	tate elects to use funds provided under Title XXI only to provide with under the State's Medicaid plan, and continue on to Section 4 ds and Methodology).
Guidance	to enrollees. prepaid inpa primary care managers (F for-service (arrangemen based upon	.1, describe all delivery methods the State will use to provide services including: (1) contracts with managed care organizations (MCO), attent health plans (PIHP), prepaid ambulatory health plans (PAHP), are case management entities (PCCM entities), and primary care case (PCCM); (2) contracts with indemnity health insurance plans; (3) fee-(FFS) paid by the State to health care providers; and (4) any other ts for health care delivery. The State should describe any variations geography and by population (including the conception to birth a States must submit the managed care contract(s) to CMS' Regional eview.
3.1.	Delivery Sy	rstems (Section 2102(a)(4)) (42 CFR 457.490; Part 457, Subpart L)
3	.1.1 Choice of D	Delivery System
	3.1.1.1	Does the State use a managed care delivery system for its CHIP populations? Managed care entities include MCOs, PIHPs, PAHPs PCCM entities and PCCMs as defined in 42 CFR 457.10. Please check the box and answer the questions below that apply to your State.
		No, the State does not use a managed care delivery system for any CHIP populations.
		Yes, the State uses a managed care delivery system for all CHIP populations.
		All children enrolled in CHIP will be enrolled in Healthy Smiles. Healthy Smiles dental managed care ended October 31, 2024.
		Yes, the State uses a managed care delivery system; however, only some of the CHIP population is included in the managed care delivery system and some of the CHIP population is included in a fee-for-service system.

If the State uses a managed care delivery system for only some of its CHIP populations and a fee-for-service system for some of its CHIP populations, please describe which populations are, and For children who are **not** enrolled in the PASSE, they will only receive dental services through the Healthy Smiles Dental Managed Care program. All other services will still be provided in the fee-for service system.

For children who are enrolled in the PASSE, the following services are carved-out of the model:

- Nonemergency Medical Transportation
- Dental Benefits
- School-based services provided by school employees
- Services provided to residents of a human development center, a skilled nursing facility, or an assisted living facility
- They are enrolled in ARChoices, Independent Choices, the 1915(c) Autism Waiver, or any successor to these programs.

3.1.2 Use of a Managed Care Delivery System for All or Some of the State's CHIP Populations

3.1.2.1	Check each of the types of entities below that the State will contract with under its managed care delivery system, and select and/or explain the method(s) of payment that the State will use:
	Managed care organization (MCO) (42 CFR 457.10) Capitation payment Describe population served:
	Those individuals who receive behavioral health and developmental disabilities services who are determined to meet the Tier II or Tier III level of need, unless they are residing in a Human Development Center, a skilled nursing facility, or an assisted living facility or they are enrolled in ARChoices, Independent Choices, the 1915(c) Autism Waiver, or a successor to one of these programs.
	Prepaid inpatient health plan (PIHP) (42 CFR 457.10) Capitation payment Other (please explain)

Describe population served:

Guidance:	If the State uses prepaid ambulatory health plan(s) (PAHP) to
	exclusively provide non-emergency medical transportation (a
	NEMT PAHP), the State should not check the following box for
	that plan. Instead, complete section 3.1.3 for the NEMT PAHP.
	Prepaid ambulatory health plan (PAHP) (42 CFR 457.10) Capitation payment Other (please explain) Describe population served: All children who are enrolled in CHIP will be mandatorily enrolled in the Healthy Smiles PAHP.
	Primary care case manager (PCCM) (individual practitioners) (42 CFR 457.10)
	Case management fee
	Other (please explain)
	Primary care case management entity (PCCM Entity) (42 CFR
	457.10)
	Case management fee
	Shared savings, incentive payments, and/or other
	financial rewards for improved quality outcomes (see 42
	CFR 457.1240(f))
	Other (please explain)
	TCDCCD () 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
	If PCCM entity is selected, please indicate which of the following
	function(s) the entity will provide (as described in 42 CFR 457.10),
	in addition to PCCM services:
	Provision of intensive telephonic case management
	Provision of face-to-face case management
	Operation of a nurse triage advice line
	Development of enrollee care plans Execution of contracts with fee for service (FES) providers in
	Execution of contracts with fee-for-service (FFS) providers in the FFS program
	Oversight responsibilities for the activities of FFS providers in
	the FFS program
	Provision of payments to FFS providers on behalf of the State
	Provision of enrollee outreach and education activities
	Operation of a customer service call center
	Review of provider claims, utilization and/or practice patterns
	to conduct provider profiling and/or practice improvement

The Source of State Share Funds:

- Planned use of funds, including:
 - Projected amount to be spent on health services;
 - Projected amount to be spent on administrative costs, such as outreach, child health initiatives, and evaluation;
 - Assumptions on which the budget is based, including cost per child and expected enrollment;
 - Projected expenditures for the separate child health plan, including but not limited to expenditures for targeted low income children, the optional coverage of the unborn, lawfully residing eligibles, dental services, etc.;
 - All cost sharing, benefit, payment, eligibility need to be reflected in the budget.
- Projected sources of non-Federal plan expenditures, including any requirements for cost-sharing by enrollees;
- Include a separate budget line to indicate the cost of providing coverage to pregnant women;
- States must include a separate budget line item to indicate the cost of providing coverage to premium assistance children;
- Include a separate budget line to indicate the cost of providing dental-only supplemental coverage;
- Include a separate budget line to indicate the cost of implementing Express Lane Eligibility;
- Provide a 1-year projected budget for all targeted low-income children covered under the state plan using the attached form. Additionally, provide the following:
 - Total 1-year cost of adding prenatal coverage;
 - Estimate of unborn children covered in year one treatment

Attachment F FFY 2025 Budget – Transition from Dental Managed Care to Fee-for-Service

CHIP Budget

STATE:	FFY Budget
Federal Fiscal Year	2025
State's enhanced FMAP rate	79.80%
State 8 emilanced FWAI Tate	17.80/0
D 64 C	
Benefit Costs	0000
Insurance payments	<u>\$0.00</u>
Managed care	\$1,039,481 (one month of
per member/per month rate	Managed Care) \$22
Fee for Service	\$11,434,295 (eleven months of
<u>ree for Service</u>	FFS)
Total Benefit Costs	\$12,473,776 (Total Cost –
Total Bellevil Copies	budget neutral)
(Offsetting beneficiary cost sharing payments)	
Net Benefit Costs	\$12,473,776
Cost of Proposed SPA Changes – Benefit	<u>\$0.00</u>
Administration Costs	
Personnel	<u>\$0.00</u>
General administration	\$0.00
Contractors/Brokers	\$0.00
Claims Processing	<u>\$0.00</u>
Outreach/marketing costs	<u>\$0.00</u>
Health Services Initiatives	<u>\$0.00</u>
Other	\$0.00
Total Administration Costs	\$0.00
10% Administrative Cap	\$0.00
Cost of Proposed SPA Changes	\$0.00
Federal Share	\$9,954,073
State Share	\$2,519,703
Total Costs of Approved CHIP Plan	\$12,473,776
TOTAL COSTS OF TAPPETOTOR CALLE TAME	

antepartum care were provided culminating in delivery or the beneficiary was continuously CHIP eligible for two or more months before delivery and on the delivery date, the global method of billing CHIP for postpartum services provided is used. When less than two months of antepartum care was provided to the Unborn Child program beneficiary or the beneficiary was not CHIP eligible for at least the last two months of the pregnancy, the antepartum/obstetrical care without delivery and the delivery and postpartum care can be billed to CHIP using the itemized billing method.)

 Services that are determined by the physician as medically necessary as, if not provided, could complicate or endanger the eligible Unborn Child program's beneficiary's pregnancy.

E. Healthy Smiles Dental Managed Care Program

The Arkansas Department of Human Services transitioned the Medicaid dental program to a prepaid ambulatory health plan (PAHP) on January 1, 2018. Two vendors were selected to provide state-wide dental benefits:

- a. Delta Dental
- b. Managed Care of North America (MCNA)

In early December 2017, all Arkansas Medicaid and CHIP beneficiaries who are eligible for dental benefits were randomly and evenly assigned to one of the two dental managed care plans. Each plan sent a welcome packet to each member and the members were able to access plan providers starting January 1, 2018, for covered dental services. Both dental vendors will provide the same dental services that were covered under the Medicaid and CHIP fee-for-service program.

Effective November 1, 2024, Arkansas Department of Human Services transitioned the CHIP dental program to the previous fee-for-service arrangement for all covered dental services and is administered by Division of Medical Services.

F. Provider Led Arkansas Shared Savings Entity (PASSE)-MCO Model of care for client with high behavioral health or developmental disabilities service needs.

Effective February 1, 2018, Arkansas included the ARKids-B Title XXI CHIP program beneficiaries as part of its overall 1915(b) waiver implementing a Provider-Led Arkansas Shared Savings Entity (PASSE) Program. As of May 6, 2019, approximately 2,598 children who participate in ARKids-B were also enrolled in a PASSE. More ARKids-B eligible children will be mandatorily enrolled in a PASSE if they are determined to be a Tier 2 or Tier 3 on the Arkansas Independent Assessment (ARIA) for behavioral health or developmental disabilities services.

The PASSE program is an innovative approach to organizing and managing the

SPA # 13, Purpose of SPA:

The state is assuring that it covers age-appropriate vaccines and their administration, without cost sharing.

Proposed effective date: October 1, 2023

Proposed implementation date: October 1, 2023

SPA # 14, Purpose of SPA:

The purpose of this SPA is to improve access to continuous glucose monitors (CGMs) through pharmacy claim submission processing for reimbursement to pharmacies and DME providers. Beneficiaries eligible for CGMs include those with Type 1 diabetes or any other type of diabetes with either insulin use or evidence of level 2 or level 3 hypoglycemia, or beneficiaries diagnosed with glycogen storage disease type 1a. Patch type insulin pumps, blood glucose monitors (BGMs) and testing supplies will be covered in the same manner. Coverage is being extended to comply with Arkansas Act 393 of 2023.

Proposed effective date: April 1, 2024

Proposed implementation date: April 1, 2024

SPA # 15, Purpose of SPA:

The purpose of this SPA is to end the Healthy Smiles Managed Care waiver for dental services and transition the dental program to fee-for-services (FFS).

Proposed effective date: November 1, 2024

Proposed implementation date: November 1, 2024

1.4- TC Tribal Consultation (Section 2107(e)(1)(C)) Describe the consultation process that occurred specifically for the development and submission of this state plan amendment, when it occurred and who was involved.

Not applicable, as there are no Indian Health Programs or Urban Indian Organizations in the State of Arkansas

TN No: Approval Date Effective Date

Section 2. <u>General Background and Description of Approach to Children's Health Insurance Coverage and Coordination</u>

Guidance: The demographic information requested in 2.1. can be used for State planning and will be used strictly for informational purposes. THESE NUMBERS WILL NOT

	expan	ded eligibil	State elects to use funds provided under Title XXI only to provide ity under the State's Medicaid plan, and continue on to Section 4 ards and Methodology).			
<u>Guida</u>	nce:	to enrolled prepaid in primary comanagers for-service arrangements	a.1, describe all delivery methods the State will use to provide services es, including: (1) contracts with managed care organizations (MCO), patient health plans (PIHP), prepaid ambulatory health plans (PAHP), are case management entities (PCCM entities), and primary care case (PCCM); (2) contracts with indemnity health insurance plans; (3) fee-e (FFS) paid by the State to health care providers; and (4) any other ents for health care delivery. The State should describe any variations on geography and by population (including the conception to birth a). States must submit the managed care contract(s) to CMS' Regional review.			
3.1.	3.1.1		Delivery Systems (Section 2102(a)(4)) (42 CFR 457.490; Part 457, Subpart L) Choice of Delivery System			
		3.1.1.1	Does the State use a managed care delivery system for its CHIP populations? Managed care entities include MCOs, PIHPs, PAHPs PCCM entities and PCCMs as defined in 42 CFR 457.10. Please check the box and answer the questions below that apply to your State. No, the State does not use a managed care delivery system for any CHIP populations. Yes, the State uses a managed care delivery system for all			
			CHIP populations. All children enrolled in CHIP will be enrolled in Healthy Smiles. Healthy Smiles dental managed care ended October 31, 2024.			
			Yes, the State uses a managed care delivery system; however, only some of the CHIP population is included in the managed care delivery system and some of the CHIP population is included in a fee-for-service system.			

Methods of Delivery and Utilization Controls

Section 3.

If the State uses a managed care delivery system for only some of its CHIP populations and a fee-for-service system for some of its CHIP populations, please describe which populations are, and For children who are enrolled in the PASSE, the following services are carved-out of the model:

- Nonemergency Medical Transportation
- Dental Benefits
- School-based services provided by school employees
- Services provided to residents of a human development center, a skilled nursing facility, or an assisted living facility
- They are enrolled in ARChoices, Independent Choices, the 1915(c) Autism Waiver, or any successor to these programs.

3.1.2 Use of a Managed Care Delivery System for All or Some of the State's CHIP Populations

3.1.2.1	Check each of the types of entities below that the State will
	contract with under its managed care delivery system, and select
	and/or explain the method(s) of payment that the State will use:
	Managed care organization (MCO) (42 CFR 457.10)
	Capitation payment
	Describe population served:
	Those individuals who receive behavioral health and developmental disabilities services who are determined to meet the Tier II or Tier III level of need, unless they are residing in a Human Development Center, a skilled nursing facility, or an assisted living facility or they are enrolled in ARChoices, Independent Choices, the 1915(c) Autism Waiver, or a successor to one of these programs.
	Prepaid inpatient health plan (PIHP) (42 CFR 457.10)

Capitation payment Other (please explain)

Describe population served:

Guidance:	If the State uses prepaid ambulatory health plan(s) (PAHP) to
	exclusively provide non-emergency medical transportation (a
	NEMT PAHP), the State should not check the following box for
	that plan. Instead, complete section 3.1.3 for the NEMT PAHP.
	☐ Prepaid ambulatory health plan (PAHP) (42 CFR 457.10) ☐ Capitation payment ☐ Other (please explain)
	Primary care case manager (PCCM) (individual practitioners) (42 CFR 457.10) Case management fee Other (please explain)
	Primary care case management entity (PCCM Entity) (42 CFR 457.10) Case management fee Shared savings, incentive payments, and/or other financial rewards for improved quality outcomes (see 42 CFR 457.1240(f)) Other (please explain)
	If PCCM entity is selected, please indicate which of the following function(s) the entity will provide (as described in 42 CFR 457.10), in addition to PCCM services:
	Provision of intensive telephonic case management
	Provision of face-to-face case management Provision of face-to-face case management
	Operation of a nurse triage advice line
	Development of enrollee care plans
	Execution of contracts with fee-for-service (FFS) providers in
	the FFS program
	Oversight responsibilities for the activities of FFS providers in the FFS program
	Provision of payments to FFS providers on behalf of the State Provision of enrollee outreach and education activities Operation of a customer service call center Review of provider claims, utilization and/or practice patterns to conduct provider profiling and/or practice improvement
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The Source of State Share Funds:

- Planned use of funds, including:
 - Projected amount to be spent on health services;
 - Projected amount to be spent on administrative costs, such as outreach, child health initiatives, and evaluation;
 - Assumptions on which the budget is based, including cost per child and expected enrollment;
 - Projected expenditures for the separate child health plan, including but not limited to expenditures for targeted low income children, the optional coverage of the unborn, lawfully residing eligibles, dental services, etc.;
 - All cost sharing, benefit, payment, eligibility need to be reflected in the budget.
- Projected sources of non-Federal plan expenditures, including any requirements for cost-sharing by enrollees;
- Include a separate budget line to indicate the cost of providing coverage to pregnant women;
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- Include a separate budget line to indicate the cost of implementing Express Lane Eligibility;
- Provide a 1-year projected budget for all targeted low-income children covered under the state plan using the attached form. Additionally, provide the following:
 - Total 1-year cost of adding prenatal coverage;
 - Estimate of unborn children covered in year one treatment

Attachment F

FFY 2025 Budget – Transition from Dental Managed Care to Fee-for-Service

CHIP Budget

STATE:	FFY Budget
Federal Fiscal Year	2025
State's enhanced FMAP rate	79.80%
Benefit Costs	
Insurance payments	\$0.00
Managed care	\$1,039,481 (one month of Managed Care)
per member/per month rate	\$22
Fee for Service	\$11,434,295 (eleven months of FFS)
Total Benefit Costs	\$12,473,776 (Total Cost – budget neutral)
(Offsetting beneficiary cost sharing payments)	
Net Benefit Costs	\$12,473,776
Cost of Proposed SPA Changes – Benefit	\$0.00
Administration Costs	
Personnel	\$0.00
General administration	\$0.00
Contractors/Brokers	\$0.00
Claims Processing	\$0.00
Outreach/marketing costs	\$0.00
Health Services Initiatives	\$0.00
Other	\$0.00
Total Administration Costs	\$0.00
10% Administrative Cap	\$0.00
Cost of Proposed SPA Changes	\$0.00
Federal Share	\$9,954,073
State Share	\$2,519,703
Total Costs of Approved CHIP Plan	\$12,473,776

DHS Responses to Public Comments Regarding Transition of Dental Services

Kyndall Rogers, Director, Government Relations, Delta Dental of Arkansas

Comment: Delta Dental of Arkansas (DDAR) is appreciative of the opportunity to publicly comment on DHS' amendment to the Arkansas Medicaid Children's Health Insurance Program (CHIP) State Plan.

Delta Dental of Arkansas is honored to have supported the Healthy Smiles Dental Managed Care Program in Arkansas since its inception in 2018, partnering with DHS to serve as one of the two dental managed care organizations serving the Medicaid population. As the leading dental insurer in the state of Arkansas, the Healthy Smiles Dental Managed Care Program is an extension of our mission to improve the oral health of all Arkansans by serving our state through our work with our members, providers, and partner organizations.

Delta Dental of Arkansas is proud of the impact the Healthy Smiles Dental Manage Care Program had on access to care and providing Medicaid beneficiaries the oral care they need. Since 2018, Delta Dental of Arkansas has managed benefits for an average of 325,000 beneficiaries, with children comprising over 70% of our total enrollment. The organization handled over 2.2 million dental claims while acting as steward for the program and DHS through above-and-beyond outreach, education, and community service for our beneficiaries. The Dental Managed Care Program successfully navigated the challenges of the COVID-19 pandemic and Public Health Emergency, supporting DHS during record high enrollment and throughout the redetermination process since 2023.

Overall, the Dental Managed Care Program in Arkansas was successful, especially in driving improved dental health outcomes for child beneficiaries. Notably, utilization of dental services outpaced national Medicaid and commercial averages, increasing by 9% since the beginning of Dental Managed Care Program compared to -5% for national Medicaid.

According to CMS, utilization rates across all core categories of care, Arkansas' national ranking improved since 2019, with the state's ranking rising from 47th to 13th overall. Delta Dental of Arkansas is proud to have supported DHS in achieving these care improvements, as both organizations leveraged their respective expertise to promote utilization of necessary oral health care.

As DHS undergoes the transition from managed care to fee-for-service, we encourage that patients and providers remain the priority for the state and the dental Medicaid program going forward. Medicaid beneficiaries are among the state's most vulnerable, and the fee- for-service program and associated processes must ensure their oral health needs are met without undue burden or complexity. We hope that enrollment, provider credentialing, and other core functions are seamlessly implemented, and that the state continues to prioritize increasing utilization of quality dental care despite the impacts of the change to a fee-for- service model.

While Delta Dental of Arkansas is disappointed in the decision to return the state to a fee- for-service model in November 2024, our organization continues to fulfill our contract requirements and stands ready to support any future opportunities to serve this important Program. We thank all our partners,

providers, and beneficiaries who entrusted their oral health care in Delta Dental of Arkansas and look forward to continuing our role as dental champions in Arkansas.

Response:

The Department of Human Services appreciates the feedback from Delta Dental of Arkansas to its proposed amendment to the Arkansas Medicaid Children's Health Insurance Program (CHIP) State Plan. DHS appreciates Delta Dental's partnership in the Healthy Smiles program and its continued cooperation and assistance as Arkansas Medicaid transitions from offering dental services through a managed care model to traditional fee for service. Further we appreciate the services Delta Dental provided for its Medicaid beneficiaries and for helping them navigate dental services even through the COVID-19 pandemic that began in 2020.

We would like to clarify the statistics Delta Dental offered in its public comment and provide some additional context. We believe Delta Dental is relying on data collected by CMS to monitor state Medicaid programs' Early and Periodic Screening Diagnostic, and Treatment (EPSDT) services for children. CMS develops the EPSDT report by pulling data from Arkansas Medicaid's data system. The data for 2018 appears to be an anomaly, perhaps due to the change in our claims system newly receiving data from Delta Dental and MCNA, rather than relying on traditional Medicaid claims data. Excluding 2018, it's clear there has been little improvement over time in the children's utilization of dental services (percent of eligible beneficiaries who received any dental services).

	2017	2018	2019	2020	2021
US	50%	50%	50%	42%	45%
AR	49%	41%	50%	44%	49%

While Arkansas's state ranking may have improved due to the 2018 data anomaly and the circumstances in other states, our results have not trended upward.

Adult utilization of dental preventive services does not appear to have improved either. The table below shows the results reported annually by each dental managed care organization to Medicaid's independent reviewer.

	2019	2020	2021	2022
Delta Dental	12.8%	9.8%	11.1%	10.2%
MCNA	11.2%	9.1%	8.9%	8.5%

Arkansas Medicaid must serve as a good fiscal steward of the limited dollars the state has and ensure spending for dental services results in improved care. We understand the move to fee for service may present some operational challenges, as all change does, but we are working tirelessly to ensure a smooth transition that ultimately benefits our beneficiaries, dental providers and Arkansas taxpayers.