

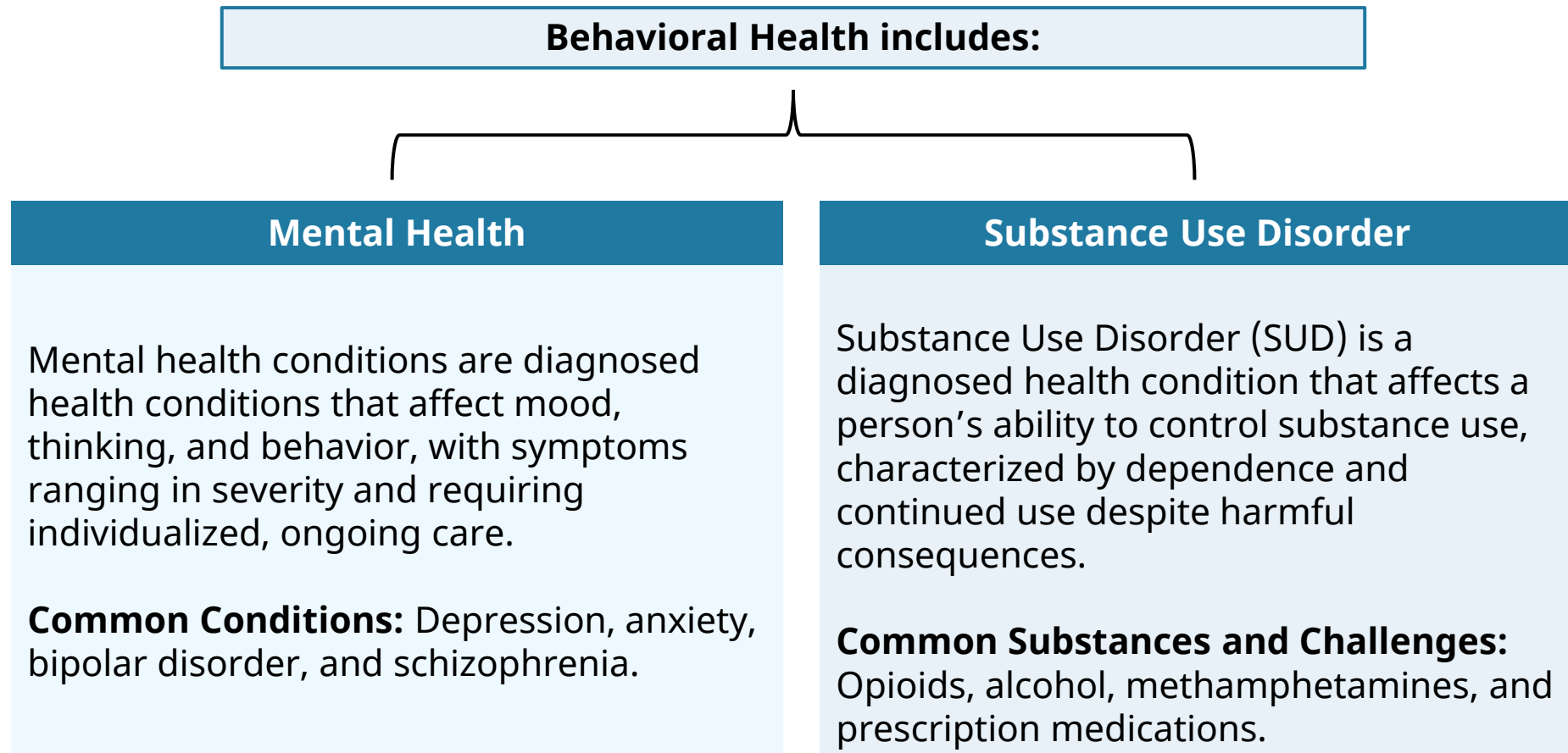
Arkansas's System of Care: Substance Use and Mental Health

*Department of Human Services, Office of Substance
Abuse and Mental Health (OSAMH)*



Arkansas's System of Care: Behavioral Health - Definitions

Arkansas DHS supports a continuum of behavioral health services, Medicaid and non-Medicaid funded, for individuals with both mental health and substance use disorder needs.



Arkansas's System of Care: Behavioral Health - Delivery

Services are designed to match the individual's level of need, promote stability, and support recovery in the least restrictive setting possible. Core Service Continuum includes:

- 1. Outpatient Counseling:** Individual, family, group counseling and medication management.
- 2. Home & Community-Based Services:** Community services that promote independence, strengthen natural supports, and prevent institutionalization.
- 3. Inpatient Services:** Short-term, 24/7 care for stabilization and safety during acute behavioral health needs.

✓ *Ability to access the right service at the right time is key*

Early Identification

Treatment

Support

Recovery



Arkansas's System of Care: OSAMH's Role and Responsibilities

1. Arkansas Medicaid

Arkansas Medicaid (AR Medicaid) is the policy and fiscal management arm for healthcare programs for child and family health in Arkansas.

Arkansans with a behavioral health diagnosis demonstrate the following claims balance in the All Payor Claims Database :



- **AR Medicaid: 76.7%**
- Commercial insurance: 11.4%
- Medicare: 11.9%

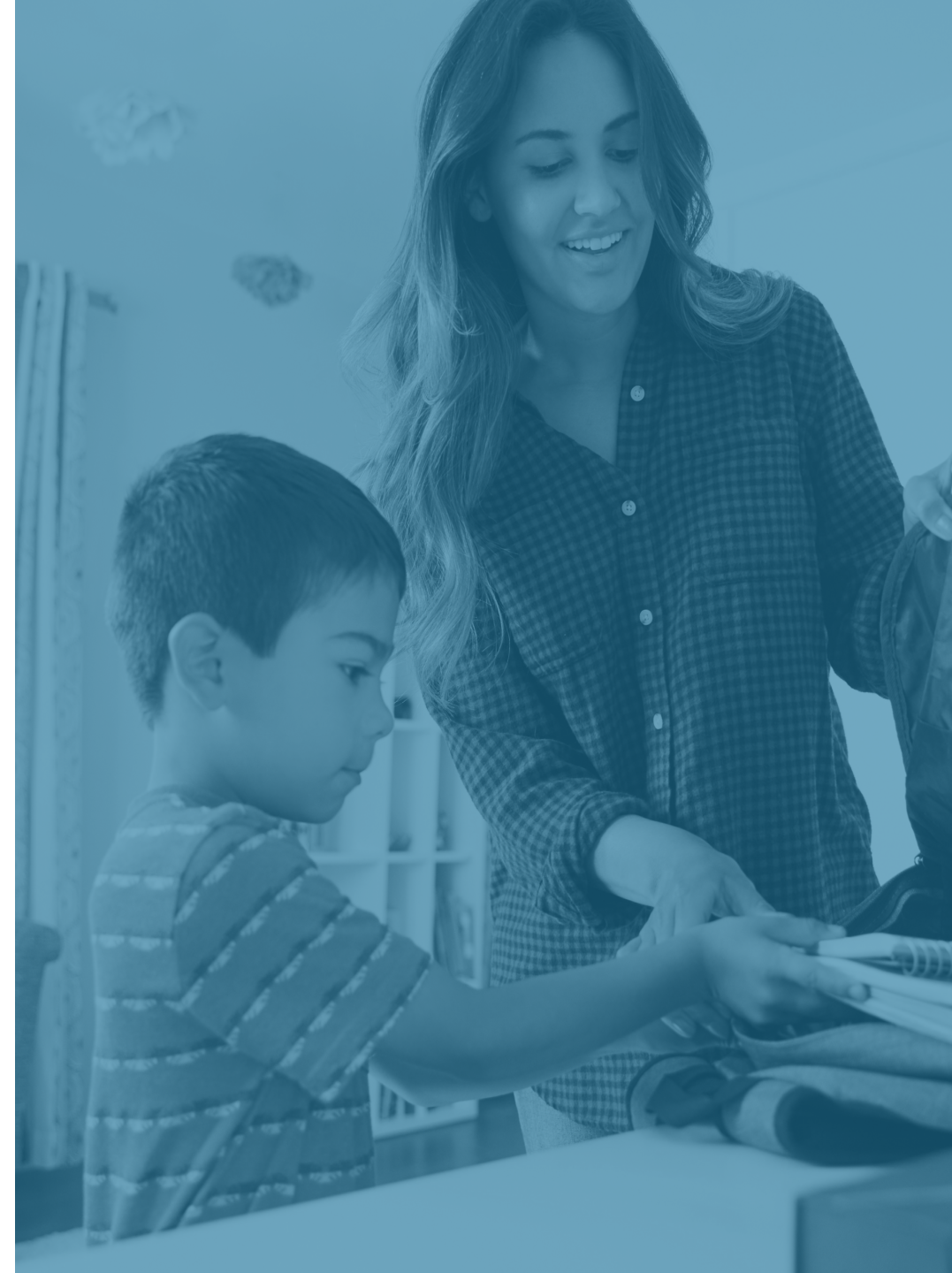
2. Non-Medicaid Programs



Services for those involved in the forensic system: Individuals in jail do not have insurance coverage and DHS is responsible for medication and restoration for individuals who have been found unfit to proceed.



Services and supports to treat substance use disorders: AR DHS receives funding through the Service Administration for Mental Health and Substance Abuse (SAMHSA) block and discretionary grants.



Meeting Arkansans Where They Are Through Right Time Interventions

Arkansas's mental health and substance use services, coordinated through DHS, meet individuals where they are to ensure access to the right care, at the right time, in the right setting.

Right Time Interventions Framework

- **Access Points:** Expand and strengthen connection points individuals can access services when and where they need them
- **Partnerships:** Coordinate with state agencies and community partners to reduce duplication, improve efficiency, and maximize resources and reach
- **Programs:** Delivery of services and community supports



Impact for Arkansans

1. Early identification and intervention
2. Age-appropriate, periodic assessments to match individuals with needed services
3. Whole-person centered care that supports stability at home and in the community
4. Reduced reliance on crisis systems, hospitalizations, law enforcement interactions, and institutional care

✓ Investing in Access to Improve Lives

Supporting behavioral health outcomes in Arkansas depends on expanding access, especially in rural and underserved areas, so individuals can connect to services earlier and avoid more intensive, costly interventions later.



Arkansas's System of Care: Medicaid Behavioral Health Services

| Beneficiary Group | Behavioral Health Services |
|--|---|
| Children with Serious Emotional Disturbance (SED) | <p>Current Services:</p> <ol style="list-style-type: none"> 1. Behavioral Assistance 2. Child and Youth Support 3. Youth Life Skills Development 4. Psychiatric Residential Treatment Facilities (PRTFs) 5. Community Reintegration |
| | <p>New Initiatives:</p> <ol style="list-style-type: none"> 1. PRTF Medicaid Provider Manual, Update 2. Inpatient Psychiatric Manual, Diagnostic Services 3. Family Centered Treatment 4. Youth/Adolescent SUD Unit 5. Community Reintegration Programs |
| Adults with Serious Mental Illness (SMI) | <p>Current Services:</p> <ol style="list-style-type: none"> 1. Rehabilitative Day Program 2. Therapeutic Communities, Levels 1 and 2 3. Supported Employment 4. Supported Housing 5. Adult Life Skills Development |
| | <p>New Initiatives:</p> <ol style="list-style-type: none"> 1. Rehabilitation Day Services Daily Rate 2. Therapeutic Community, Level 3 3. 219 Group 4. First Episode Psychosis 5. Section 1115 SMI Institution for Mental Disease (IMD) Demonstration 6. Community Mental Health Center Contract |



Arkansas's System of Care: New Initiatives for Children with SED

Inpatient Psychiatric Manual: Diagnostic

OSAMH will be promulgating a new Inpatient Psychiatric Medicaid Provider Manual to update service descriptions and add a new 30-day, inpatient diagnostic service.

Continued Work: The timing must align with the Section 1115 IMD Waiver implementation to streamline manual promulgation.

Family Centered Treatment (FCT)

OSAMH completed a pilot with seven providers using 9817 funds. Family Centered Treatment will now be an In Lieu of Medicaid service for PASSE members.

Continued Work: The addition of Family Centered Treatment as a Medicaid service still requires CMS approval and State promulgation and approval.

Community Reintegration Program

OSAMH partnered with DCFS to contract with Medicaid Community Reintegration providers and provide a room and board payment in addition to the Medicaid reimbursed daily rate. OSAMH also worked with DYS to lease cottages to a Community Reintegration provider for DYS step-down services.

Continued Work: OSAMH will continue to work with PASSE providers for referrals and admissions.

Youth/Adolescent SUD Unit

Arkansas Hospital Rules went through emergency promulgation in June in order allow general hospitals to provide SUD residential services to youth and adolescents. The first youth/adolescent will be in Unity Health in Searcy, utilizing construction funds.

Continued Work: The new service is awaiting CMS approval. UAMS received funding to provide training for professionals to provide follow-up care in the community.



Arkansas's System of Care: New Initiatives for Adults with SMI

Rehabilitation Day Services Daily Rate

OSAMH worked with providers through the SMI Advisory Group to develop new service definitions and rates to move from a collection of services to a single partial and full day service and rate.

Continued Work: The new service definitions and rates still require CMS approval and State promulgation and approval.

First Episode Psychosis

UAMS utilized grant funds to set up a clinic to treat individuals experiencing their first episode of psychosis. UAMS also developed a training and technical assistance program to support Medicaid providers.

Continued Work: OSAMH is assessing the feasibility of implementing a specific Medicaid reimbursement code for this service.

Therapeutic Communities

OSAMH coordinated with providers through the SMI Advisory Group to further define Therapeutic Communities Levels 1 and 2 as well as a new service definition and rate for Level 3. This process led to a new service to support adults with SMI in the community.

Continued Work: The new service definition requires CMS approval and State promulgation and approval.

Section 1115 SMI IMD Demonstration

The Section 1115 IMD Demonstration creates a new pathway for Medicaid payment for adults who require inpatient care in an Institution for Mental Disease up to a 30-day length of stay.

Continued Work: The IMD implementation plan requires CMS approval, and the Inpatient Psychiatric Provider Manual revisions require State promulgation and approval.

219 Group

The 219 group is a pathway for individuals to be enrolled in Medicaid at a higher federal poverty level through the existing behavioral health Independent Assessment to determine if an individual has SMI.

Continued Work: The 219 group pathway requires CMS approval and State promulgation and approval.

Community Mental Health Center (CMHC) Contract

The CMHC contract was rebid for 12 regions covering all 75 counties in Arkansas.

Progress: The new narrower focus for CMHCs will require training and communication to all stakeholders as well as a new contractor in four regions of the state will require transition efforts.



Arkansas's System of Care: Non-Medicaid Behavioral Health Services

| Beneficiary Group | Behavioral Health Services |
|---|--|
| <p>Adults with Substance Use Disorder (SUD)</p> | <p>Current State: The state is divided into 8 regions and SAMHSA grant funded are distributed to the OSAMH contractor for that region. This funding is primarily reimbursing providers for residential services for adults who are uninsured or are traditional Medicaid beneficiaries.</p> |
| | <p>Future: Section 1115 SUD IMD Demonstration has been approved and we are working with CMS on approval for the implementation plan.</p> |
| <p>Individuals involved in the Forensic System</p> | <p>Current Services:</p> <ol style="list-style-type: none"> 1. Integration with Criminal Justice 2. Competency Evaluations 3. Restoration Services 4. Diversion & Community Treatment 5. Arkansas State Hospital and Secured Restoration |

Arkansas's System of Care: Transition of SUD Services

Current State

In Arkansas, services for adults with SUD are not reimbursed by Medicaid. Instead, SUD services that are available are paid for by SAMHSA block and discretionary grants.

OSAMH submitted Section 1115 IMD Demonstration implementation and evaluation plans on 04/30/2026 for federal financial participation in Medicaid reimbursement of select SUD services.

Section 1115 SUD IMD Demonstration: Covered Services

| | |
|--|--|
| Upon approval, Medicaid reimbursement will be available for: | Screening, Brief Intervention, and Referral to Treatment (SBIRT) |
| | Peer Bridge Services |
| | High Intensity Outpatient Services (American Society of Addiction Medicine [ASAM] Level 2.5, formerly partial hospitalization program [PHP]) |
| | Residential Services (ASAM Levels 3.1, 3.5, 3.7) |

Future State

SAMHSA block and discretionary grant funding will be available to support new and additional services for Arkansans.

Arkansas's System of Care: Forensic Behavioral Health Services

Arkansas DHS is responsible for providing behavioral health services for individuals involved in the forensic system.

Forensic-Oriented Services

- 1. Integration with Criminal Justice:** Supports courts, jails, and law enforcement through coordinated clinical evaluation and treatment for justice-involved individuals.
- 2. Competency Evaluations:** Conducts court-ordered competency evaluations
- 3. Restoration Services:** Inpatient and outpatient restoration services.
- 4. Diversion & Community Treatment:** Expands community-based diversion and treatment to reduce incarceration and system strain.
- 5. Arkansas State Hospital and Secured Restoration:** Intensive treatment in a locked facility to restore individuals with serious and persistent mental illness.

