Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1	State of Arkansas	As Engrossed: S3/9/05 S4/5/05	
2	85th General Assembly	A Bill	
3	Regular Session, 2005		SENATE BILL 275
4			
5	By: Joint Budget Committee		
6			
7			
8		For An Act To Be Entitled	
9	AN ACT	TO MAKE AN APPROPRIATION FOR PERSONA	AL
10	SERVICES	S AND OPERATING EXPENSES FOR THE	
11	DEPARTM	ENT OF HUMAN SERVICES - DIVISION OF	
12	MEDICAL	SERVICES FOR THE BIENNIAL PERIOD EN	NDING
13	JUNE 30	, 2007; AND FOR OTHER PURPOSES.	
14			
15			
16		Subtitle	
17	AN A	CT FOR THE DEPARTMENT OF HUMAN	
18	SERV	ICES - DIVISION OF MEDICAL SERVICES	
19	APPRO	OPRIATION FOR THE 2005-2007	
20	BIEN	NIUM.	
21			
22			
23	BE IT ENACTED BY THE G	GENERAL ASSEMBLY OF THE STATE OF ARK	ANSAS:
24			
25	SECTION 1. REGULAR	SALARIES. There is hereby establis	shed for the
26	Department of Human Se	ervices - Division of Medical Servic	es for the 2005-2007
27	biennium, the followir	ng maximum number of regular employe	es whose salaries
28	shall be governed by t	the provisions of the Uniform Classi	fication and
29	Compensation Act (Arka	ansas Code $\$\$21-5-201$ et seq.), or i	ts successor, and
30	all laws amendatory th	nereto. Provided, however, that any	position to which a
31	specific maximum annua	al salary is set out herein in dolla	rs, shall be exempt
32	from the provisions of	f said Uniform Classification and Co	ompensation Act. All
33	persons occupying posi	itions authorized herein are hereby	governed by the
34	provisions of the Regu	ılar Salaries Procedures and Restric	tions Act (Arkansas
35	Code §21-5-101), or it	s successor.	
36			

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1	Maximum Annual					
2				Maximum	Salary	Rate
3	Item	Class		No. of	Fiscal	Years
4	No.	Code	Title Er	mployees	2005-2006	2006-2007
5	(1)	9985	DHS DEP DIR MEDICAL SERVICES	1	\$98,315	\$100,699
6	(2)	8965	DHS/DMS ADD - MEDICAL SERVICES	1	\$81,858	\$83,963
7	(3)	8938	DHS/DMS ASST DEP DIR LONG TRM CARI	E 1	\$81,858	\$83,963
8	(4)	8936	DHS/DMS ADD PROG & ADMIN SUPPORT	1	\$81,858	\$83,963
9	(5)	022Z	DHS/DCO CHIEF PROGRAM ADMR	4	GRADE	26
10	(6)	L014	DIRECTOR OF PHARMACY SERVICES	1	GRADE	26
11	(7)	L012	PHARMACIST II	4	GRADE	25
12	(8)	023Z	DHS/DCO ASST CHIEF PROGRAM ADMR	4	GRADE	25
13	(9)	118Z	DHS NURSING SERVICES ADMINISTRATOR	R 1	GRADE	25
14	(10)	L096	SR PHARMACIST	1	GRADE	24
15	(11)	923Z	DHS PRGM ADMINISTRATOR	9	GRADE	23
16	(12)	D124	LEAD PROGRAMMER/ANALYST	1	GRADE	22
17	(13)	L078	NURSE SUPERVISOR	1	GRADE	22
18	(14)	X338	ENGINEER, PE	2	GRADE	22
19	(15)	L082	NURSING SERVICES SPECIALIST	13	GRADE	21
20	(16)	L106	PHYSICAL THERAPY SUPV	1	GRADE	21
21	(17)	L030	DIETARY SERVICES DIRECTOR	1	GRADE	21
22	(18)	D036	SR PROGRAMMER/ANALYST	1	GRADE	21
23	(19)	A251	SR AUDITOR	7	GRADE	21
24	(20)	697Z	DHS PRGM MANAGER	11	GRADE	21
25	(21)	A250	JR AUDITOR	1	GRADE	20
26	(22)	L070	NURSE II	10	GRADE	20
27	(23)	M027	DHS/DCO COUNTY SUPV II	1	GRADE	20
28	(24)	R266	MANAGEMENT PROJECT ANALYST II	10	GRADE	20
29	(25)	M088	SOCIAL WORKER II	3	GRADE	20
30	(26)	M116	UTILIZATION REVIEW NURSE	60	GRADE	20
31	(27)	Q046	MEDICARE/MEDICAID SURVEY SPECIALIS	ST 20	GRADE	20
32	(28)	R145	DHS PROGRAM COORDINATOR	5	GRADE	20
33	(29)	R084	DHS STAFF SUPERVISOR	4	GRADE	19
34	(30)	M154	DHS FIELD REPRESENTATIVE	8	GRADE	19
35	(31)	R332	DHS POLICY DEVELOPMENT COORD	5	GRADE	19
36	(32)	X358	HLTH FACILITY SURVEYOR	2	GRADE	19

1	(33)	L028	DIETICIAN	3	GRADE 19
2	(34)	M078	DHS/DEMS SUPERVISOR	2	GRADE 18
3	(35)	D129	DP COORDINATOR	1	GRADE 18
4	(36)	X352	HLTH CARE ANALYST II	21	GRADE 17
5	(37)	R010	ADMINISTRATIVE ASSISTANT II	16	GRADE 17
6	(38)	R110	MEDICAL PROGRAM REPRESENTATIVE	3	GRADE 17
7	(39)	R162	STATISTICIAN/STATISTICIAN II	1	GRADE 17
8	(40)	D005	COMPUTER OPERATOR II	1	GRADE 15
9	(41)	A108	ACCOUNTING TECHNICIAN II	3	GRADE 15
10	(42)	K041	EXECUTIVE SECY/ADMINISTRATIVE SECY	7	GRADE 14
11	(43)	K117	MEDICAL OR LEGAL SECRETARY	6	GRADE 14
12	(44)	K153	SECRETARY II	11	GRADE 13
13	(45)	M067	SOCIAL SERVICE AIDE II	1	GRADE 13
14	(46)	K039	DOCUMENT EXAMINER II	18	GRADE 12
15	(47)	K155	SECRETARY I	1	GRADE 11
16		MAX.	NO. OF EMPLOYEES	290	

SECTION 2. EXTRA HELP. There is hereby authorized, for the Department of Human Services - Division of Medical Services for the 2005-2007 biennium, the following maximum number of part-time or temporary employees, to be known as "Extra Help", payable from funds appropriated herein for such purposes: seven (7) temporary or part-time employees, when needed, at rates of pay not to exceed those provided in the Uniform Classification and Compensation Act, or its successor, or this act for the appropriate classification.

SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated, to the Department of Human Services - Division of Medical Services, to be payable from the paying account as determined by the Chief Fiscal Officer of the State, for personal services and operating expenses of the Department of Human Services - Division of Medical Services - Operations for the biennial period ending June 30, 2007, the following:

33	ITEM		FISCAL YEARS		
34	NO.		2005-2006		2006-2007
35	(01)	REGULAR SALARIES	\$ 11,519,845	\$	11,859,648
36	(02)	EXTRA HELP	126,892		126,892

1	(03) PERSONAL SERVICES MATCHING	3,395,515	3,462,464
2	(04) OVERTIME	5,000	5,000
3	(05) MAINT. & GEN. OPERATION		
4	(A) OPER. EXPENSE	3,152,863	3,152,863
5	(B) CONF. & TRAVEL	235,840	235,840
6	(C) PROF. FEES	355,132	<i>355</i> ,1 <i>32</i>
7	(D) CAP. OUTLAY	195,000	195,000
8	(E) DATA PROC.	0	0
9	(06) DATA PROCESSING SERVICES	89,800	<u>89,800</u>
10	TOTAL AMOUNT APPROPRIATED	<u>\$ 19,075,887</u>	<u>\$ 19,482,639</u>

SECTION 4. APPROPRIATION - GRANTS. There is hereby appropriated, to the Department of Human Services - Division of Medical Services, to be payable from the paying account as determined by the Chief Fiscal Officer of the State, for grant payments of the Department of Human Services - Division of Medical Services - Grants for the biennial period ending June 30, 2007, the following:

20	ITEM		FISCAL YEARS		
21	NO.		2005-2006	2006-2007	
22	(01)	PRIVATE NURSING HOME CARE	\$ 551,855,697	\$ 585,610,631	
23	(02)	INFANT INFIRMARY	19,712,761	21,285,102	
24	(03)	PUBLIC NURSING HOME CARE	153,904,953	161,368,197	
25	(04)	PRESCRIPTION DRUGS	486,582,469	572,812,968	
26	(05)	HOSPITAL AND MEDICAL SERVICES	2,167,514,873	2,429,058,856	
27	(06)	CHILD AND FAMILY LIFE INSTITUTE	2,100,000	2,100,000	
28	(07)	PRESCRIPTION DRUG WAIVER FOR THE			
29		ELDERLY	10,785,287	10,785,287	
30		TOTAL AMOUNT APPROPRIATED	<i>\$3,392,456,040</i>	<u>\$3,783,021,041</u>	

SECTION 5. APPROPRIATION - ARKIDS B PROGRAM. There is hereby appropriated, to the Department of Human Services - Division of Medical Services, to be payable from the paying account as determined by the Chief Fiscal Officer of the State, for grant payments of the Department of Human Services - Division of Medical Services - ARKIDS B Program for the biennial period ending June

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1
    30, 2007, the following:
 2
 3
4
     ITEM
                                                            FISCAL YEARS
                                                      2005-2006
5
     NO.
                                                                      2006-2007
6
     (01) ARKIDS B PROGRAM
                                                     67,098,915 $
                                                                    80,476,520
7
8
        SECTION 6. APPROPRIATION - NURSING HOME CLOSURE COSTS. There is hereby
9
     appropriated, to the Department of Human Services - Division of Medical
     Services, to be payable from the Long-Term Care Trust Fund, for the payment
10
11
     of relocation costs of residents in long-term care facilities, maintenance
12
     and operation of a facility pending correction of deficiencies or closure,
     and reimbursement of residents for personal funds lost for the biennial
13
14
    period ending June 30, 2007, the following:
15
16
17
     ITEM
                                                           FISCAL YEARS
                                                      2005-2006 2006-2007
18
     NO.
19
     (01) EXPENSES
                                                         50,000 $
                                                $
                                                                         50,000
20
        SECTION 7. APPROPRIATION - LONG TERM CARE FACILITY RECEIVERSHIP. There is
21
22
     hereby appropriated, to the Department of Human Services - Division of
23
    Medical Services, to be payable from the Long Term Care Facility Receivership
24
    Fund Account, for the payment of expenses of long-term care facility
25
     receivers as authorized by law of the Department of Human Services - Division
26
     of Medical Services - Long Term Care Facility Receivership for the biennial
27
    period ending June 30, 2007, the following:
28
29
30
     ITEM
                                                            FISCAL YEARS
                                                      2005-2006 2006-2007
31
     NO.
                                                $
32
     (01) EXPENSES
                                                        100,000 $
                                                                       100,000
33
        SECTION 8. APPROPRIATION - NURSING ASSISTANT TRAINING PROGRAM. There is
34
35
     hereby appropriated, to the Department of Human Services - Division of
36
    Medical Services, to be payable from the paying account as determined by the
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1 Chief Fiscal Officer of the State, for expansion of minimum training hours 2 for nurses aide training programs for all long-term care facilities in the 3 state of the Department of Human Services - Division of Medical Services for 4 the biennial period ending June 30, 2007, the following: 5 6 **ITEM** FISCAL YEARS 7 NO. 2005-2006 2006-2007 8 (01) PRIVATE NURSING HOME CARE - EXPANDED 9 NURSING ASSISTANT TRAINING PROGRAM 230,000 \$ 10 11 SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. DEPARTMENT OF 12 HUMAN SERVICES GRANTS FUND ACCOUNT. The Department of Human Services Grants 13 14 Fund Account shall be used for the following grant programs to consist of 15 general revenues and any other nonfederal funds, as may be appropriated by 16 the General Assembly: 17 (i) Children's Medical Services; (ii) Food Stamp Employment and Training Program; 18 19 (iii) Aid to the Aged, Blind, and Disabled; (iv) Transitional Employment Assistance Program; 20 21 (v) Private nursing home care; 22 (vi) Infant Infirmary - nursing home care; 23 (vii) Public Nursing Home Care; 24 (viii) Prescription Drugs; 25 (ix) Hospital and Medical Services; 26 (x) Child and Family Life Institute; 27 (xi) Community Services Block Grant; 28 (xii) ARKIDSFIRST; 29 (xiii) Child Health Management Services; 30 (xiv) Child Care Grant; and 31 (xv) Prescription Drug Elderly 32 33 SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 34 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL 35 SERVICES - CARRY FORWARD. The unexpended balances in appropriations made 36 from federal funds, for Medical Services, as provided for in this Act on June

36

1 30, 2004 2006 shall be carried forward and made available for expenditures 2 for the same purpose for the fiscal year ending June 30, 2005 2007. The provisions of this section shall be in effect only from July 1, 2003 3 4 2005 through June 30, 2005 2007. 5 6 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 7 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL 8 SERVICES - CHILD AND FAMILY LIFE INSTITUTE. The Child Health and Family Life 9 Institute shall be administered under the direction of Arkansas Children's 10 Hospital. Arkansas Children's Hospital shall enter into a cooperative 11 agreement and/or contract with the University of Arkansas for Medical 12 Sciences - Department of Pediatrics for services required in delivering the programs of the Child Health and Family Life Institute. Utilizing a 13 14 multidisciplinary collaboration of professionals, the Child Health and Family 15 Life Institute shall provide a statewide effort to explore, develop and 16 evaluate new and better ways to address medically, socially and economically 17 interrelated health and developmental needs of children with special health care needs and their families. The Child Health and Family Life Institute's 18 19 priorities shall include, but are not limited to, wellness and prevention, screen and diagnosis, treatment and intervention, training and education and 20 21 research and evaluation. 22 Arkansas Children's Hospital and the University of Arkansas for Medical 23 Sciences-Department of Pediatrics shall make semi-annual reports to the 24 Arkansas Legislative Council on all matters of funding, existing programs and 25 services offered through the Child Health and Family Life Institute. 26 The provisions of this section shall be in effect only from July 1, 2003 27 2005 through June 30, 2005 2007. 28 29 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 30 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL 31 SERVICES - PHARMACEUTICAL DISPENSING FEE SURVEY. No more than two years prior 32 to making any changes to the current pharmaceutical dispensing fee, the State 33 shall conduct an independent survey utilizing generally accepted accounting 34 principles, to determine the cost of dispensing a prescription by pharmacists

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in Arkansas. Only factors relative to the cost of dispensing shall be

surveyed. These factors shall not include actual acquisition costs or

- l average profit or any combination of actual acquisition costs or average
- 2 profit. The survey results shall be the basis for establishing the
- 3 dispensing fee paid to participating pharmacies in the Medicaid prescription
- 4 drug program in accordance with Federal requirements. The dispensing fee
- 5 shall be no lower than the cost of dispensing as determined by the survey.
- 6 Nothing in this section shall be construed to prohibit the State from
- 7 increasing the dispensing fee at any time.
- 8 The provisions of this section shall be in effect only from July 1, 2003
- 9 <u>2005</u> through June 30, 2005 <u>2007</u>.

- 11 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
- 12 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL
- 13 SERVICES GENERAL MEDICAID RATE METHODOLOGY PROVISIONS. (a) Rates established
- 14 by the Division of Medical Services for the services or programs covered by
- 15 this Act shall be calculated by the methodologies approved by the Centers for
- 16 Medicare and Medicaid Services (CMS). The Division of Medical Services shall
- 17 have the authority to reduce or increase rates based on the approved
- 18 methodology. Further, the Division of Medical Services shall have the
- 19 authority to increase or decrease rates for good cause including, but not
- 20 limited to: (1) identification of provider(s) who can render needed services
- 21 of equal quality at rates less than traditionally charged and who meet the
- 22 applicable federal and state laws, rules and regulations pertaining to the
- 23 provision of a particular service, (2) identification that a provider or
- 24 group of providers has consistently charged rates to the Arkansas Medicaid
- 25 Program greater than to other purchasers of medical services of similar size,
- 26 (3) the Division determines that there has been significant changes in the
- 27 technology or process by which services are provided by a provider or group
- 28 of providers which has affected the costs of providing services, or (4) a
- 29 severe economic downturn in the Arkansas economy which has affected the
- 30 overall state budget of the Division of Medical Services.
- 31 The Division of Medical Services shall make available to requesting
- 32 providers, the CMS's inflationary forecasts (CMS Market Basket Index). Rates
- 33 established with cost of living increases based on the CMS Market Basket
- 34 Index or other indices will be adjusted annually except when the state budget
- 35 does not provide sufficient appropriation and funding to affect the change or
- 36 portion thereof.

- 1 (b) Any rate methodology changes proposed by the Division of Medical Services
- 2 both of a general and specific nature, shall be subject to prior review by
- 3 the Legislative Council or Joint Budget Committee.
- 4 The provisions of this section shall be in effect only from July 1, 2003
- 5 2005 through June 30, 2005 2007.

- 7 SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
- 8 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL
- 9 SERVICES STATE MEDICAID PROGRAM/PERSONAL CARE PROGRAM. (a) It is the
- 10 Legislative intent that the Department of Human Services in its
- 11 administration of the Arkansas Medicaid Program set forth Medicaid provider
- 12 participation requirements for "personal care providers" that will insure
- 13 sufficient available providers to meet the required needs of all eligible
- 14 recipients, to include insuring available in-home services twenty-four hours
- 15 a day and seven days a week for personal care.
- 16 (b) For the purposes of this section, "private care agencies" are defined as
- 17 those providers licensed by the Department of Labor, certified as
- 18 ElderChoices Providers and who furnish in-home staffing services for respite,
- 19 chore services, and homemaker services, and are covered by liability
- 20 insurance of not less than one million dollars (\$1,000,000.00) covering their
- 21 employees and independent contractors while they are engaged in providing
- 22 services, such as personal care, respite, chore services, and homemaker
- 23 services.
- 24 (c) The purpose of this section is to allow the private care agencies defined
- 25 herein to be eligible to provide Medicaid reimbursed personal care services
- 26 seven days a week, and does not supercede Department of Human Services rules
- 27 establishing monthly benefit limits and prior authorization requirements.
- 28 (d) The availability of providers shall not require the Department of Human
- 29 Services to reimburse for 24 hours per day of personal care services.
- 30 (e) The Arkansas Department of Human Services, Medical Services Division
- 31 shall take such action as required by the Centers for Medicare and Medicaid
- 32 Services to amend the Arkansas Medicaid manual to include, private care
- 33 agencies, as qualified entities to provide Medicaid reimbursed personal care
- 34 services.
- 35 (f) The private care agencies shall comply with rules and regulations
- 36 promulgated by the Arkansas Department of Health which shall establish a

- l separate licensure category for the private care agencies for the provision
- 2 of Medicaid reimbursable personal care services seven days a week.
- 3 (g) The Arkansas Department of Health shall supervise the conduct of the
- 4 private care agencies defined herein.
- 5 (h) The purpose of this section is to insure the care provided by the private
- 6 care agencies, is consistent with the rules and regulations of the Arkansas
- 7 Department of Health.
- 8 The provisions of this section shall be in effect only from July 1, 2003
- 9 <u>2005</u> through June 30, 2005 <u>2007</u>.

- 11 SECTION 15. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
- 12 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL
- 13 SERVICES BORDER CITY DDTCS AND ELDERCHOICES PROVIDERS. Approved Arkansas
- 14 Medicaid providers of Developmental Day Treatment Clinic Services (DDTCS) and
- 15 ElderChoices Services, or their successor programs, who have out-of-state
- 16 border city facilities may be licensed by the State of Arkansas and/or
- 17 contract with the State to be reimbursed for Medicaid eligible services
- 18 delivered to Arkansas residents who are Medicaid eligible.
- The provisions of this section shall be in effect only from July 1, 2003
- 20 2005 through June 30, 2005 2007.

21

- 22 SECTION 16. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
- 23 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND
- 24 USAGE AUTHORIZED. The Arkansas Children's Hospital may request the
- 25 Department of Human Services Division of Medical Services to retain in the
- 26 Department of Human Services Grant Fund account an amount not to exceed
- 27 \$2,100,000 each fiscal year from funds made available by this Act for the
- 28 Child and Family Life Institute, Section 4, item number 06 to be used to
- 29 match federal funds used for supplemental Medicaid payments to Arkansas
- 30 Children's Hospital. These retained funds shall not be recovered for transfer
- 31 to the General Revenue Allotment Reserve Fund.

- 33 SECTION 17. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
- 34 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STATE
- 35 PLAN. The State Plan must include the provision of EPSDT services as those
- 36 services are defined in \$1396d(r). See \$\$ 1396a(a)(10)(A),

- 1 1396d(a)(4)(B); see also 1396a(a)(43). Section 1396d(r) lists in detail the
- 2 screening services, vision services, dental services, and hearing services
- 3 that the State Plan must expressly include, but with regard to treatment
- 4 services, it states that EPSDT means "[s]uch other necessary health care,
- 5 diagnostic services, treatment, and other measures described in subsection
- 6 (a) of this section to correct or ameliorate defects and physical and mental
- 7 illnesses and conditions discovered by the screening services, whether or not
- 8 such services are covered under the State plan." 42 U.S.C. § 1396d(r)(5)
- 9 (emphasis added). Reading §1396a, § 1396d(a), and § 1396d(r)together, we
- 10 believe that the State Plan need not specifically list every treatment
- 11 service conceivably available under the EPSDT mandate.
- 12 The State Plan, however, must pay part or all of the cost of treatments to
- 13 ameliorate conditions discovered by the screening process when those
- 14 treatments meet. The definitions set forth in § 1396a. See § 1396d(r)(5);
- 15 see also §§ 1396a(a)(10), 1396a (a)(43), and 1396d(a)(4)(B). The Arkansas
- 16 State Plan states that the "State will provide other health care described in
- 17 [42 U.S.C. 1396d(a)] that is found to be medically necessary to correct or
- 18 ameliorate defects and physical and mental illnesses and conditions
- 19 discovered by the screening services, even when such health care is not
- 20 otherwise covered under the State Plan." See State Plan Under Title XIX of
- 21 the Social Security Act Medical Assistance Program, State Of Arkansas at §
- 22 4.b. This provision Meets the EPSDT mandate of the Medicaid Act.
- 23 We affirm the district court's decision to the extent that it holds that a
- 24 Medicaid-Eligible individual has a federal right to early intervention day
- 25 treatment when a physician recommends such treatment. Section 1396d(r)(5)
- 26 states that EPSDT includes any treatments or measures outlined in § 1396d(a).
- 27 There are twenty-seven sub-parts to § 1396d(a), and we find that sub-part
- 28 (a)(13), in particular, when read with the other sections of the Medicaid Act
- 29 listed above, mandates that early intervention day treatment be provided when
- 30 it is prescribed by a physician. See 42 U.S.C. § 1396d(a)(13) (defining
- 31 medical assistance reimbursable by Medicaid as "other diagnostic, screening,
- 32 preventive, and rehabilitative services, including any medical or remedial
- 33 services recommended by a physician...for the maximum reduction of physical and
- 34 mental disability and restoration of an individual to the best possible
- 35 functional level"). Therefore, after CHMS clinic staff perform a diagnostic
- 36 evaluation of an eligible child, if the CHMS physician prescribes early

1 intervention day treatment as a service that would lead to the maximum 2 reduction of medical and physical disabilities and restoration of the child 3 to his or her best possible functional level, the Arkansas State Plan must reimburse the treatment. Because CHMS clinics are the only providers of 4 5 early intervention day treatment, Arkansas must reimburse those clinics. 6 7 SECTION 18. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized 8 by this act shall be limited to the appropriation for such agency and funds 9 made available by law for the support of such appropriations; and the 10 restrictions of the State Procurement Law, the General Accounting and 11 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary 12 Procedures and Restrictions Act, or their successors, and other fiscal control laws of this State, where applicable, and regulations promulgated by 13 14 the Department of Finance and Administration, as authorized by law, shall be 15 strictly complied with in disbursement of said funds. 16 SECTION 19. LEGISLATIVE INTENT. It is the intent of the General Assembly 17 that any funds disbursed under the authority of the appropriations contained 18 19 in this act shall be in compliance with the stated reasons for which this act was adopted, as evidenced by the Agency Requests, Executive Recommendations 20 21 and Legislative Recommendations contained in the budget manuals prepared by 22 the Department of Finance and Administration, letters, or summarized oral 23 testimony in the official minutes of the Arkansas Legislative Council or 24 Joint Budget Committee which relate to its passage and adoption. 25 26 SECTION 20. EMERGENCY CLAUSE. It is found and determined by the General 27 Assembly, that the Constitution of the State of Arkansas prohibits the 28 appropriation of funds for more than a two (2) year period; that the 29 effectiveness of this Act on July 1, 2005 is essential to the operation of 30 the agency for which the appropriations in this Act are provided, and that in the event of an extension of the Regular Session, the delay in the effective 31 date of this Act beyond July 1, 2005 could work irreparable harm upon the 32 33 proper administration and provision of essential governmental programs. 34 Therefore, an emergency is hereby declared to exist and this Act being 35 necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2005. 36

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2	/s/	Joint	Budget	${\it Committee}$
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