

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

A Bill

HOUSE BILL 1219

5 By: Joint Budget Committee
6

For An Act To Be Entitled

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
9 AND OPERATING EXPENSES FOR THE DEPARTMENT OF HUMAN
10 SERVICES - DIVISION OF MEDICAL SERVICES FOR THE
11 FISCAL YEAR ENDING JUNE 30, 2014; AND FOR OTHER
12 PURPOSES.
13
14

Subtitle

15 AN ACT FOR THE DEPARTMENT OF HUMAN
16 SERVICES - DIVISION OF MEDICAL SERVICES
17 APPROPRIATION FOR THE 2013-2014 FISCAL
18 YEAR.
19
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21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established
25 for the Department of Human Services - Division of Medical Services for the
26 2013-2014 fiscal year, the following maximum number of regular employees.
27

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2013-2014
32	(1) L008N	PHYSICIAN SPECIALIST	2	GRADE N917
33	(2) N181N	DIRECTOR OF MEDICAL SERVICES	1	GRADE N915
34	(3) L016N	REGISTERED PHARMACIST	6	GRADE N911
35	(4) N080N	DHS/DMS ASSISTANT DIRECTOR - FISCAL	2	GRADE N907
36	(5) N099N	DHS/DMS ADD - LONG TERM CARE	1	GRADE N906



1	(6)	N100N	DHS/DMS ADD - MEDICAL SERVICES	2	GRADE N906
2	(7)	N110N	DHS ASST DIR CONTRACT MONITORING UNIT	1	GRADE N905
3	(8)	A010C	AGENCY CONTROLLER II	1	GRADE C128
4	(9)	D007C	INFORMATION SYSTEMS MANAGER	2	GRADE C128
5	(10)	A016C	DHS DMS BUSINESS OPERATIONS MANAGER	9	GRADE C127
6	(11)	L003C	PSYCHOLOGIST	4	GRADE C127
7	(12)	L010C	DHS DMS MEDICAL ASSISTANCE MANAGER	9	GRADE C125
8	(13)	L009C	NURSE MANAGER	5	GRADE C125
9	(14)	A031C	ASSISTANT CONTROLLER	1	GRADE C124
10	(15)	L015C	CLINICAL SPEECH PATHOLOGIST	2	GRADE C124
11	(16)	B023C	ENGINEER, P.E.	1	GRADE C124
12	(17)	L021C	NURSING HOME ASSISTANT ADMINISTRATOR	1	GRADE C123
13	(18)	L020C	NURSING SERVICES UNIT MANAGER	2	GRADE C123
14	(19)	L019C	REGISTERED NURSE COORDINATOR	5	GRADE C123
15	(20)	A044C	AUDIT COORDINATOR	3	GRADE C122
16	(21)	G099C	DHS PROGRAM ADMINISTRATOR	15	GRADE C122
17	(22)	L027C	REGISTERED NURSE SUPERVISOR	14	GRADE C122
18	(23)	A052C	ACCOUNTING COORDINATOR	1	GRADE C121
19	(24)	A050C	AGENCY FISCAL MANAGER	1	GRADE C121
20	(25)	M011C	FAMILY SERVICE WORKER COUNTY SUP	1	GRADE C121
21	(26)	A047C	FINANCIAL ANALYST II	1	GRADE C121
22	(27)	M009C	LICENSED CERTIFIED SOCIAL WORKER	1	GRADE C121
23	(28)	A056C	DHS FINANCIAL SECTION MANAGER	2	GRADE C120
24	(29)	L040C	DIETARY SERVICES DIRECTOR	1	GRADE C120
25	(30)	L038C	REGISTERED NURSE	71	GRADE C120
26	(31)	E023C	TRAINING PROJECT MANAGER	1	GRADE C120
27	(32)	D063C	COMPUTER SUPPORT SPECIALIST	2	GRADE C119
28	(33)	D062C	DATABASE ANALYST	1	GRADE C119
29	(34)	G152C	DHS PROGRAM MANAGER	15	GRADE C119
30	(35)	G147C	GRANTS COORDINATOR	2	GRADE C119
31	(36)	X067C	HEALTH FACILITIES SURVEYOR	21	GRADE C119
32	(37)	D061C	INFORMATION SYSTEMS COORD SPECIALIST	1	GRADE C119
33	(38)	X062C	QUALITY ASSURANCE COORDINATOR	2	GRADE C119
34	(39)	A060C	SENIOR AUDITOR	14	GRADE C119
35	(40)	A075C	FINANCIAL ANALYST I	1	GRADE C118
36	(41)	A081C	AUDITOR	4	GRADE C117

1	(42)	R027C	BUDGET SPECIALIST	2	GRADE C117
2	(43)	G183C	DHS PROGRAM COORDINATOR	11	GRADE C117
3	(44)	L055C	DIETICIAN	1	GRADE C117
4	(45)	D068C	INFORMATION SYSTEMS ANALYST	2	GRADE C117
5	(46)	D067C	INFORMATION SYSTEMS SECURITY ANALYST	2	GRADE C117
6	(47)	G179C	LEGAL SERVICES SPECIALIST	1	GRADE C117
7	(48)	M039C	MEDICAID SERVICES SUPERVISOR	2	GRADE C117
8	(49)	C013C	MEDICAL SERVICES REPRESENTATIVE	3	GRADE C117
9	(50)	G178C	POLICY DEVELOPMENT COORDINATOR	3	GRADE C117
10	(51)	B076C	RESEARCH PROJECT ANALYST	1	GRADE C117
11	(52)	A089C	ACCOUNTANT I	1	GRADE C116
12	(53)	A088C	ASSETS COORDINATOR	1	GRADE C116
13	(54)	X124C	HEALTH FACILITY REVIEWER	1	GRADE C116
14	(55)	A084C	PROGRAM/FIELD AUDIT SPECIALIST	3	GRADE C116
15	(56)	C037C	ADMINISTRATIVE ANALYST	7	GRADE C115
16	(57)	G210C	DHS PROGRAM SPECIALIST	1	GRADE C115
17	(58)	A091C	FISCAL SUPPORT ANALYST	3	GRADE C115
18	(59)	C050C	ADMINISTRATIVE SUPPORT SUPERVISOR	1	GRADE C113
19	(60)	L070C	HEALTH CARE ANALYST	19	GRADE C113
20	(61)	C056C	ADMINISTRATIVE SPECIALIST III	28	GRADE C112
21	(62)	A098C	FISCAL SUPPORT SPECIALIST	2	GRADE C112
22	(63)	A101C	ACCOUNTING TECHNICIAN	1	GRADE C109
23	(64)	C073C	ADMINISTRATIVE SPECIALIST II	14	GRADE C109
24	(65)	C087C	ADMINISTRATIVE SPECIALIST I	<u>10</u>	GRADE C106
25			MAX. NO. OF EMPLOYEES	352	

26

27 SECTION 2. EXTRA HELP - OPERATIONS. There is hereby authorized, for
 28 the Department of Human Services - Division of Medical Services for the 2013-
 29 2014 fiscal year, the following maximum number of part-time or temporary
 30 employees, to be known as "Extra Help", payable from funds appropriated
 31 herein for such purposes: seven (7) temporary or part-time employees, when
 32 needed, at rates of pay not to exceed those provided in the Uniform
 33 Classification and Compensation Act, or its successor, or this act for the
 34 appropriate classification.

35

36 SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated,

1 to the Department of Human Services - Division of Medical Services, to be
 2 payable from the paying account as determined by the Chief Fiscal Officer of
 3 the State, for personal services and operating expenses of the Department of
 4 Human Services - Division of Medical Services - Operations for the fiscal
 5 year ending June 30, 2014, the following:

7 ITEM	FISCAL YEAR
8 <u>NO.</u>	<u>2013-2014</u>
9 (01) REGULAR SALARIES	\$17,523,771
10 (02) EXTRA HELP	201,892
11 (03) PERSONAL SERVICES MATCHING	5,817,834
12 (04) OVERTIME	5,000
13 (05) MAINT. & GEN. OPERATION	
14 (A) OPER. EXPENSE	3,618,107
15 (B) CONF. & TRAVEL	246,340
16 (C) PROF. FEES	555,132
17 (D) CAP. OUTLAY	150,000
18 (E) DATA PROC.	0
19 (06) DATA PROCESSING SERVICES	<u>299,600</u>
20 TOTAL AMOUNT APPROPRIATED	<u><u>\$28,417,676</u></u>

21
 22 SECTION 4. APPROPRIATION - GRANTS. There is hereby appropriated, to
 23 the Department of Human Services - Division of Medical Services, to be
 24 payable from the paying account as determined by the Chief Fiscal Officer of
 25 the State, for grant payments of the Department of Human Services - Division
 26 of Medical Services - Grants for the fiscal year ending June 30, 2014, the
 27 following:

29 ITEM	FISCAL YEAR
30 <u>NO.</u>	<u>2013-2014</u>
31 (01) PRIVATE NURSING HOME CARE	\$687,787,762
32 (02) INFANT INFIRMARY	26,733,146
33 (03) PUBLIC NURSING HOME CARE	212,598,210
34 (04) PRESCRIPTION DRUGS	373,142,423
35 (05) HOSPITAL AND MEDICAL SERVICES	3,905,842,951
36 (06) CHILD AND FAMILY LIFE INSTITUTE	2,100,000

1 (07) ARKIDS B PROGRAM 137,336,792
 2 TOTAL AMOUNT APPROPRIATED \$5,345,541,284
 3

4 SECTION 5. APPROPRIATION - NURSING HOME CLOSURE COSTS. There is hereby
 5 appropriated, to the Department of Human Services - Division of Medical
 6 Services, to be payable from the Long-Term Care Trust Fund, for the payment
 7 of relocation costs of residents in long-term care facilities, maintenance
 8 and operation of a facility pending correction of deficiencies or closure,
 9 and reimbursement of residents for personal funds lost for the fiscal year
 10 ending June 30, 2014, the following:

12 ITEM	FISCAL YEAR
13 <u>NO.</u>	<u>2013-2014</u>
14 (01) EXPENSES	<u>\$50,000</u>

15
 16 SECTION 6. APPROPRIATION - LONG-TERM CARE FACILITY RECEIVERSHIP. There
 17 is hereby appropriated, to the Department of Human Services - Division of
 18 Medical Services, to be payable from the Long Term Care Facility Receivership
 19 Fund Account, for the payment of expenses of long-term care facility
 20 receivers as authorized by law of the Department of Human Services - Division
 21 of Medical Services - Long-Term Care Facility Receivership for the fiscal
 22 year ending June 30, 2014, the following:

24 ITEM	FISCAL YEAR
25 <u>NO.</u>	<u>2013-2014</u>
26 (01) EXPENSES	<u>\$100,000</u>

27
 28 SECTION 7. APPROPRIATION - NURSING HOME QUALITY GRANTS. There is
 29 hereby appropriated, to the Department of Human Services - Division of
 30 Medical Services, to be payable from the Long-Term Care Trust Fund, for
 31 Nursing Home Quality Grants of the Department of Human Services - Division of
 32 Medical Services - Nursing Home Quality Grants for the fiscal year ending
 33 June 30, 2014, the following:

35 ITEM	FISCAL YEAR
36 <u>NO.</u>	<u>2013-2014</u>

1 (01) NURSING HOME QUALITY GRANTS AND AID \$1,500,000

2

3 SECTION 8. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
4 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

5 DEPARTMENT OF HUMAN SERVICES GRANTS FUND ACCOUNT. The Department of Human
6 Services Grants Fund Account shall be used for the following grant programs
7 to consist of general revenues and any other nonfederal funds, as may be
8 appropriated by the General Assembly:

- 9 (i) Children’s Medical Services;
- 10 (ii) Food Stamp Employment and Training Program;
- 11 (iii) Aid to the Aged, Blind, and Disabled;
- 12 (iv) Transitional Employment Assistance Program;
- 13 (v) Private nursing home care;
- 14 (vi) Infant Infirmary - nursing home care;
- 15 (vii) Public Nursing Home Care;
- 16 (viii) Prescription Drugs;
- 17 (ix) Hospital and Medical Services;
- 18 (x) Child and Family Life Institute;
- 19 (xi) Community Services Block Grant;
- 20 (xii) ARKIDSFIRST;
- 21 (xiii) Child Health Management Services; and
- 22 (xiv) Child Care Grant

23

24 SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
25 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL
26 SERVICES - CHILD AND FAMILY LIFE INSTITUTE. The Child Health and Family Life
27 Institute shall be administered under the direction of Arkansas Children’s
28 Hospital. Arkansas Children’s Hospital shall enter into a cooperative
29 agreement and/or contract with the University of Arkansas for Medical
30 Sciences - Department of Pediatrics for services required in delivering the
31 programs of the Child Health and Family Life Institute. Utilizing a
32 multidisciplinary collaboration of professionals, the Child Health and Family
33 Life Institute shall provide a statewide effort to explore, develop and
34 evaluate new and better ways to address medically, socially and economically
35 interrelated health and developmental needs of children with special health
36 care needs and their families. The Child Health and Family Life Institute’s

1 priorities shall include, but are not limited to, wellness and prevention,
2 screen and diagnosis, treatment and intervention, training and education and
3 research and evaluation.

4 Arkansas Children's Hospital and the University of Arkansas for Medical
5 Sciences - Department of Pediatrics shall make annual reports to the Arkansas
6 Legislative Council on all matters of funding, existing programs and services
7 offered through the Child Health and Family Life Institute.

8 The provisions of this section shall be in effect only from July 1, ~~2012~~
9 2013 through June 30, ~~2013~~ 2014.

10
11 SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
12 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL
13 SERVICES - PHARMACEUTICAL DISPENSING FEE SURVEY. No more than two years prior
14 to making any changes to the current pharmaceutical dispensing fee, the State
15 shall conduct an independent survey utilizing generally accepted accounting
16 principles, to determine the cost of dispensing a prescription by pharmacists
17 in Arkansas. Only factors relative to the cost of dispensing shall be
18 surveyed. These factors shall not include actual acquisition costs or average
19 profit or any combination of actual acquisition costs or average profit. The
20 survey results shall be the basis for establishing the dispensing fee paid to
21 participating pharmacies in the Medicaid prescription drug program in
22 accordance with Federal requirements. The dispensing fee shall be no lower
23 than the cost of dispensing as determined by the survey. Nothing in this
24 section shall be construed to prohibit the State from increasing the
25 dispensing fee at any time.

26 The provisions of this section shall be in effect only from July 1, ~~2012~~
27 2013 through June 30, ~~2013~~ 2014.

28
29 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
30 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL
31 SERVICES - GENERAL MEDICAID RATE METHODOLOGY PROVISIONS.

32 (a) Rates established by the Division of Medical Services for the services
33 or programs covered by this Act shall be calculated by the methodologies
34 approved by the Centers for Medicare and Medicaid Services (CMS). The
35 Division of Medical Services shall have the authority to reduce or increase
36 rates based on the approved methodology. Further, the Division of Medical

1 Services shall have the authority to increase or decrease rates for good
2 cause including, but not limited to: (1) Identification of provider(s) who
3 can render needed services of equal quality at rates less than traditionally
4 charged and who meet the applicable federal and state laws, rules and
5 regulations pertaining to the provision of a particular service;
6 (2) Identification that a provider or group of providers has consistently
7 charged rates to the Arkansas Medicaid Program greater than to other
8 purchasers of medical services of similar size;
9 (3) The Division determines that there has been significant changes in the
10 technology or process by which services are provided by a provider or group
11 of providers which has affected the costs of providing services, or;
12 (4) A severe economic downturn in the Arkansas economy which has affected the
13 overall state budget of the Division of Medical Services.

14 The Division of Medical Services shall make available to requesting
15 providers, the CMS's inflationary forecasts (CMS Market Basket Index). Rates
16 established with cost of living increases based on the CMS Market Basket
17 Index or other indices will be adjusted annually except when the state budget
18 does not provide sufficient appropriation and funding to affect the change or
19 portion thereof.

20 (b) Any rate methodology changes proposed by the Division of Medical
21 Services both of a general and specific nature, shall be subject to prior
22 review by the Legislative Council or Joint Budget Committee.

23 The provisions of this section shall be in effect only from July 1, ~~2012~~
24 2013 through June 30, ~~2013~~ 2014.

25
26 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
27 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND
28 USAGE AUTHORIZED. The Arkansas Children's Hospital may request the Department
29 of Human Services - Division of Medical Services to retain in the Department
30 of Human Services Grant Fund account an amount not to exceed \$2,100,000 from
31 funds made available by this Act for the Child and Family Life Institute,
32 Section 4, item number 06 to be used to match federal funds used for
33 supplemental Medicaid payments to Arkansas Children's Hospital. These
34 retained funds shall not be recovered to transfer to the General Revenue
35 Allotment Reserve Fund.

36

1 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
2 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STATE
3 PLAN. The State Plan must include the provision of EPSDT services as those
4 services are defined in §1396d(r). See §§ 1396a(a)(10)(A), 1396d(a)(4)(B);
5 see also 1396a(a)(43). Section 1396d(r) lists in detail the screening
6 services, vision services, dental services, and hearing services that the
7 State Plan must expressly include, but with regard to treatment services, it
8 states that EPSDT means "[s]uch other necessary health care, diagnostic
9 services, treatment, and other measures described in subsection (a) of this
10 section to correct or ameliorate defects and physical and mental illnesses
11 and conditions discovered by the screening services, whether or not such
12 services are covered under the State plan." 42 U.S.C. § 1396d(r)(5) (emphasis
13 added). Reading §1396a, § 1396d(a), and § 1396d(r) together, we believe that
14 the State Plan need not specifically list every treatment service conceivably
15 available under the EPSDT mandate.

16 The State Plan, however, must pay part or all of the cost of treatments to
17 ameliorate conditions discovered by the screening process when those
18 treatments meet the definitions set forth in § 1396a. See §1396d(r)(5); see
19 also §§1396a(a)(10), 1396a (a)(43), and 1396d(a)(4)(B). The Arkansas State
20 Plan states that the "State will provide other health care described in [42
21 U.S.C. 1396d(a)] that is found to be medically necessary to correct or
22 ameliorate defects and physical and mental illnesses and conditions
23 discovered by the screening services, even when such health care is not
24 otherwise covered under the State Plan." See State Plan Under Title XIX of
25 the Social Security Act Medical Assistance Program, State Of Arkansas at
26 §4.b. This provision Meets the EPSDT mandate of the Medicaid Act.

27 We affirm the district court's decision to the extent that it holds that a
28 Medicaid-Eligible individual has a federal right to early intervention day
29 treatment when a physician recommends such treatment. Section 1396d(r)(5)
30 states that EPSDT includes any treatments or measures outlined in §1396d(a).
31 There are twenty-seven sub-parts to §1396d(a), and we find that sub-part
32 (a)(13), in particular, when read with the other sections of the Medicaid Act
33 listed above, mandates that early intervention day treatment be provided when
34 it is prescribed by a physician. See 42 U.S.C. §1396d(a)(13) (defining
35 medical assistance reimbursable by Medicaid as "other diagnostic, screening,
36 preventive, and rehabilitative services, including any medical or remedial

1 services recommended by a physician...for the maximum reduction of physical
2 and mental disability and restoration of an individual to the best possible
3 functional level"). Therefore, after CHMS clinic staff perform a diagnostic
4 evaluation of an eligible child, if the CHMS physician prescribes early
5 intervention day treatment as a service that would lead to the maximum
6 reduction of medical and physical disabilities and restoration of the child
7 to his or her best possible functional level, the Arkansas State Plan must
8 reimburse the treatment. Because CHMS clinics are the only providers of early
9 intervention day treatment, Arkansas must reimburse those clinics.

10
11 SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
12 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL
13 SERVICES - STATE MEDICAID PROGRAM/PERSONAL CARE PROGRAM.

14 (a) It is the legislative intent that the Department of Human Services in
15 its administration of the Arkansas Medicaid Program set forth Medicaid
16 provider participation requirements for "personal care providers" that will
17 insure sufficient available providers to meet the required needs of all
18 eligible recipients, to include insuring available in home services twenty-
19 four (24) hours a day and seven (7) days a week for personal care.

20 (b) For the purposes of this section, "private care agencies" are defined
21 as those providers licensed by the Department of Labor, certified as
22 ElderChoices Providers and who furnish in home staffing services for respite,
23 chore services, and homemaker services, and are covered by liability
24 insurance of not less than one million dollars (\$1,000,000) covering their
25 employees and independent contractors while they are engaged in providing
26 services, such as personal care, respite, chore services, and homemaker
27 services.

28 (c) The purpose of this section is to allow the private care agencies
29 defined herein to be eligible to provide Medicaid reimbursed personal care
30 services seven (7) days a week, and does not supercede Department of Human
31 Services rules establishing monthly benefit limits and prior authorization
32 requirements.

33 (d) The availability of providers shall not require the Department of
34 Human Services to reimburse for twenty-four (24) hours per day of personal
35 care services.

36 (e) The Arkansas Department of Human Services, Medical Services Division

1 shall take such action as required by the Centers for Medicare and Medicaid
2 Services to amend the Arkansas Medicaid manual to include, private care
3 agencies, as qualified entities to provide Medicaid reimbursed personal care
4 services.

5 (f) The private care agencies shall comply with rules and regulations
6 promulgated by the Arkansas Department of Health which shall establish a
7 separate licensure category for the private care agencies for the provision
8 of Medicaid reimbursable personal care services seven (7) days a week.

9 (g) The Arkansas Department of Health shall supervise the conduct of the
10 personal care agencies defined herein.

11 (h) The purpose of this section is to insure the care provided by the
12 private care agencies, is consistent with the rules and regulations of the
13 Arkansas Department of Health.

14 The provisions of this section shall be in effect only from July 1, ~~2012~~
15 2013 through June 30, ~~2013~~ 2014.

16
17 SECTION 15. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
18 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. REVIEW OF
19 RULES IMPACTING STATE MEDICAID COSTS. (a) In light of the rapidly rising
20 potential costs to the State attributable to the Medicaid program and the
21 importance of Medicaid expenditures to the health and welfare of the citizens
22 of this State, the General Assembly finds it desirable to exercise more
23 thorough review of future proposed changes to rules that might impact those
24 costs or expenditures.

25 (b) As used in this section, "rule impacting state Medicaid costs" means
26 a proposed rule, as defined by § 25-15-202(8), or a proposed amendment to an
27 existing rule, as defined by § 25-15-202(8), that would, if adopted, adjust
28 Medicaid reimbursement rates, Medicaid eligibility criteria, or Medicaid
29 benefits, including without limitation a proposed rule or a proposed
30 amendment to an existing rule seeking to accomplish the following:

- 31 (1) Reduce the number of individuals covered by Arkansas Medicaid;
- 32 (2) Limit the types of services covered by Arkansas Medicaid;
- 33 (3) Reduce the utilization of services covered by Arkansas Medicaid;
- 34 (4) Reduce provider reimbursement;
- 35 (5) Increase consumer cost-sharing;
- 36 (6) Reduce the cost of administering Arkansas Medicaid;

1 (7) Increase Arkansas Medicaid revenues;

2 (8) Reduce fraud and abuse in the Arkansas Medicaid program;

3 (9) Change any of the methodologies used for reimbursement of
4 providers;

5 (10) Seek a new waiver or modification of an existing waiver of any
6 provision under Medicaid, Title XIX, of the Social Security Act, including a
7 waiver that would allow a demonstration project;

8 (11) Participate or seek to participate in Social Security Act Section
9 1115(a)(1) waiver authority that would allow operation of a demonstration
10 project or program;

11 (12) Participate or seek to participate in a Social Security Act
12 Section 1115(a)(2) request for the Secretary of the Department of Health and
13 Human Services to provide federal financial participation for costs
14 associated with a demonstration project or program;

15 (13) Implement managed care provisions under Section 1932 of Medicaid,
16 Title XIX of the Social Security Act; or

17 (14) Participate or seek to participate in the Centers for Medicare and
18 Medicaid Services Innovation projects or programs.

19 (c)(1) In addition to filing requirements under the Arkansas
20 Administrative Procedure Act, § 25-15-201 et seq., and § 10-3-309, the
21 Department of Human Services shall, at least thirty (30) days before the
22 expiration of the period for public comment, file a proposed rule impacting
23 state Medicaid costs or a proposed amendment to an existing rule impacting
24 state Medicaid costs with the Senate Interim Committee on Public Health,
25 Welfare, and Labor and the House Interim Committee on Public Health, Welfare,
26 and Labor, or, when the General Assembly is in session, with the Senate
27 Committee on Public Health, Welfare, and Labor and the House Committee on
28 Public Health, Welfare and Labor.

29 (2) Any review of the proposed rule or proposed amendment to an
30 existing rule by the Senate and House Interim Committees on Public Health,
31 Welfare and Labor or the Senate and House Committees on Public Health,
32 Welfare, and Labor shall occur within forty-five (45) days of the date the
33 proposed rule or proposed amendment to an existing rule is filed with the
34 committees.

35 (d)(1) If adopting an emergency rule impacting state Medicaid costs,
36 in addition to the filing requirements under the Arkansas Administrative

1 Procedure Act, § 25-15-201 et seq. and § 10-3-309, the Department of Human
2 Services shall notify the Speaker of the House of Representatives, the
3 President Pro Tempore of the Senate, the chair of the Senate Committee on
4 Public Health, Welfare, and Labor, and the chair of the House Committee on
5 Public Health, Welfare and Labor of the emergency rule and provide each of
6 them a copy of the rule within five (5) business days of adopting the rule.

7 (2) Any review of the emergency rule by the Senate and House
8 Interim Committees on Public Health, Welfare and Labor or the Senate and
9 House Committees on Public Health, Welfare, and Labor shall occur within
10 forty-five (45) days of the date the emergency rule is provided to the
11 chairs.

12 (e)(1) The Joint Budget Committee may review a rule impacting state
13 Medicaid costs during a regular, fiscal, or special session of the General
14 Assembly.

15 (2) Actions taken by the Joint Budget Committee when reviewing a
16 rule impacting state Medicaid costs shall have the same effect as actions
17 taken by the Legislative Council under § 10-3-309.

18 (3) If the Joint Budget Committee reviews a rule impacting state
19 Medicaid costs, it shall file a report of its actions with the Legislative
20 Council as soon as practicable.

21 (f) This section expires on June 30, ~~2013~~ 2014.

22
23 SECTION 16. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
24 authorized by this act shall be limited to the appropriation for such agency
25 and funds made available by law for the support of such appropriations; and
26 the restrictions of the State Procurement Law, the General Accounting and
27 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
28 Procedures and Restrictions Act, or their successors, and other fiscal
29 control laws of this State, where applicable, and regulations promulgated by
30 the Department of Finance and Administration, as authorized by law, shall be
31 strictly complied with in disbursement of said funds.

32
33 SECTION 17. LEGISLATIVE INTENT. It is the intent of the General
34 Assembly that any funds disbursed under the authority of the appropriations
35 contained in this act shall be in compliance with the stated reasons for
36 which this act was adopted, as evidenced by the Agency Requests, Executive

1 Recommendations and Legislative Recommendations contained in the budget
 2 manuals prepared by the Department of Finance and Administration, letters, or
 3 summarized oral testimony in the official minutes of the Arkansas Legislative
 4 Council or Joint Budget Committee which relate to its passage and adoption.
 5

6 SECTION 18. EMERGENCY CLAUSE. It is found and determined by the
 7 General Assembly, that the Constitution of the State of Arkansas prohibits
 8 the appropriation of funds for more than a one (1) year period; that the
 9 effectiveness of this Act on July 1, 2013 is essential to the operation of
 10 the agency for which the appropriations in this Act are provided, and that in
 11 the event of an extension of the legislative session, the delay in the
 12 effective date of this Act beyond July 1, 2013 could work irreparable harm
 13 upon the proper administration and provision of essential governmental
 14 programs. Therefore, an emergency is hereby declared to exist and this Act
 15 being necessary for the immediate preservation of the public peace, health
 16 and safety shall be in full force and effect from and after July 1, 2013.
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