1 2	State of Arkansa 89th General As	0	^{H4/1/13} H4/6/13 H4/1 A Bill	10/13
2	Regular Session	-		HOUSE BILL 1219
4	itegului bession	, 2015		
5	By: Joint Budg	et Committee		
6	<i>y c</i>			
7		For An	Act To Be Entitled	
8		AN ACT TO MAKE AN APPE	OPRIATION FOR PERSON	AL SERVICES
9		AND OPERATING EXPENSES	5 FOR THE DEPARTMENT	OF HUMAN
10		SERVICES - DIVISION OF	MEDICAL SERVICES FO	R THE
11		FISCAL YEAR ENDING JUN	NE 30, 2014; AND FOR	OTHER
12		PURPOSES.		
13				
14				
15			Subtitle	
16		AN ACT FOR THE D	EPARTMENT OF HUMAN	
17		SERVICES - DIVIS	ION OF MEDICAL SERVIC	CES
18		APPROPRIATION FO	R THE 2013-2014 FISCA	аL
19		YEAR.		
20				
21				
22 23	BE IT ENACTE	D BY THE GENERAL ASSEN	IBLY OF THE STATE OF	ARKANSAS:
24	SECTIO	N 1. REGULAR SALARIES	- OPERATIONS. There	is hereby established
25		rtment of Human Servio		-
26	_	scal year, the followi		
27			0	
28				Maximum Annual
29			Maximum	Salary Rate
30	Item Class	1	No. of	Fiscal Year
31	No. Code	Title	Employee	s 2013-2014
32	(1) L008N	PHYSICIAN SPECIALIS	 1	2 GRADE N917
33	(2) N181N	DIRECTOR OF MEDICAL	SERVICES	1 GRADE N915
34	(3) L016N	REGISTERED PHARMACIS	ST	6 GRADE N911
35	(4) NO80N	DHS/DMS ASSISTANT D	RECTOR - FISCAL	2 GRADE N907
36	(5) N099N	I DHS/DMS ADD - LONG T	ERM 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	8	GRADE C127	
6	(11)	L003C	PSYCHOLOGIST	4	GRADE C127	
7	(12)	L010C	DHS DMS MEDICAL ASSISTANCE MANAGER	8	GRADE C125	
8	(13)	L009C	NURSE MANAGER	4	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	13	GRADE C122	
17	(22)	L027C	REGISTERED NURSE SUPERVISOR	11	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)	A056C	DHS FINANCIAL SECTION MANAGER	2	GRADE C120	
23	(<i>28</i>)	L040C	DIETARY SERVICES DIRECTOR	1	GRADE C120	
24	(<i>29</i>)	L038C	REGISTERED NURSE	68	GRADE C120	
25	(30)	E023C	TRAINING PROJECT MANAGER	1	GRADE C120	
26	(31)	D063C	COMPUTER SUPPORT SPECIALIST	2	GRADE C119	
27	(<i>32</i>)	D062C	DATABASE ANALYST	1	GRADE C119	
28	(33)	G152C	DHS PROGRAM MANAGER	14	GRADE C119	
29	(34)	G147C	GRANTS COORDINATOR	2	GRADE C119	
30	(35)	X067C	HEALTH FACILITIES SURVEYOR	21	GRADE C119	
31	(36)	D061C	INFORMATION SYSTEMS COORD SPECIALIST	1	GRADE C119	
32	(<i>37</i>)	X062C	QUALITY ASSURANCE COORDINATOR	2	GRADE C119	
33	(38)	A060C	SENIOR AUDITOR	10	GRADE C119	
34	(<i>39</i>)	A075C	FINANCIAL ANALYST I	1	GRADE C118	
35	(40)	A081C	AUDITOR	2	GRADE C117	
36	(41)	R027C	BUDGET SPECIALIST	2	GRADE C117	

1	(<i>42</i>)	G183C	DHS PROGRAM COORDINATOR	10	GRADE C117
2	(<i>43</i>)	L055C	DIETICIAN	1	GRADE C117
3	(44)	D068C	INFORMATION SYSTEMS ANALYST	2	GRADE C117
4	(45)	D067C	INFORMATION SYSTEMS SECURITY ANALYST	2	GRADE C117
5	(46)	G179C	LEGAL SERVICES SPECIALIST	1	GRADE C117
6	(<i>47</i>)	M039C	MEDICAID SERVICES SUPERVISOR	2	GRADE C117
7	(48)	G178C	POLICY DEVELOPMENT COORDINATOR	3	GRADE C117
8	(<i>49</i>)	B076C	RESEARCH PROJECT ANALYST	1	GRADE C117
9	(50)	A089C	ACCOUNTANT I	1	GRADE C116
10	(51)	A088C	ASSETS COORDINATOR	1	GRADE C116
11	(<i>52</i>)	X124C	HEALTH FACILITY REVIEWER	1	GRADE C116
12	(<i>53</i>)	C037C	ADMINISTRATIVE ANALYST	7	GRADE C115
13	(54)	A091C	FISCAL SUPPORT ANALYST	3	GRADE C115
14	(55)	C050C	ADMINISTRATIVE SUPPORT SUPERVISOR	1	GRADE C113
15	(56)	L070C	HEALTH CARE ANALYST	18	GRADE C113
16	(<i>57</i>)	C056C	ADMINISTRATIVE SPECIALIST III	28	GRADE C112
17	(58)	A098C	FISCAL SUPPORT SPECIALIST	2	GRADE C112
18	(<i>59</i>)	A101C	ACCOUNTING TECHNICIAN	1	GRADE C109
19	(60)	C073C	ADMINISTRATIVE SPECIALIST II	12	GRADE C109
20	(61)	C087C	ADMINISTRATIVE SPECIALIST I	10	GRADE C106
21		MAX. N	O. OF EMPLOYEES	322	
22					
23		SECTION	1 2. REGULAR SALARIES - OFFICE OF MEDI	CAID INSP	PECTOR GENERAL.
24	There	is here	by established for the Department of .	Human Sei	rvices - Division
25	of Med	lical Se	ervices - Office of Medicaid Inspector	General	for the 2013-2014

26 fiscal year, the following maximum number of regular employees.

27

28 Maximum Annual 29 Maximum Salary Rate 30 Item Class No. of Fiscal Year 31 No. Code Title <u>2013-2014</u> *Employees* 32 (1) MEDICAID INSPECTOR GENERAL 1 \$150,000 33 (2) INSPECTOR GENERAL CHIEF COUNSEL 1 \$120,000 A016C DHS DMS BUSINESS OPERATIONS MANAGER GRADE C127 34 (3) 1 35 (4) LOIOC DHS DMS MEDICAL ASSISTANCE MANAGER 1 GRADE C125 (5) MEDICAID FRAUD INVESTIGATOR 36 2 GRADE C125

1	(6)	LOO9C NURSE MANAGER	1	GRADE C125
2	(7)	G099C DHS PROGRAM ADMINISTRATOR	2	GRADE C122
3	(8)	L027C REGISTERED NURSE SUPERVISOR	3	GRADE C122
4	(9)	MO09C LICENSED CERTIFIED SOCIAL WORKER	1	GRADE C121
5	(10)	LO38C REGISTERED NURSE	3	GRADE C120
6	(11)	G152C DHS PROGRAM MANAGER	1	GRADE C119
7	(12)	A060C SENIOR AUDITOR	4	GRADE C119
8	(13)	A081C AUDITOR	2	GRADE C117
9	(14)	G183C DHS PROGRAM COORDINATOR	1	GRADE C117
10	(15)	CO13C MEDICAL SERVICES REPRESENTATIVE	4	GRADE C117
11	(16)	A084C PROGRAM/FIELD AUDIT SPECIALIST	3	GRADE C116
12	(17)	G210C DHS PROGRAM SPECIALIST	1	GRADE C115
13	(18)	LO7OC HEALTH CARE ANALYST	1	GRADE C113
14	(19)	CO73C ADMINISTRATIVE SPECIALIST II	2	GRADE C109
15		MAX. NO. OF EMPLOYEES	35	

SECTION 3. EXTRA HELP - OPERATIONS. There is hereby authorized, for 17 18 the Department of Human Services - Division of Medical Services for the 2013-19 2014 fiscal year, the following maximum number of part-time or temporary 20 employees, to be known as "Extra Help", payable from funds appropriated 21 herein for such purposes: seven (7) temporary or part-time employees, when 22 needed, at rates of pay not to exceed those provided in the Uniform 23 Classification and Compensation Act, or its successor, or this act for the 24 appropriate classification.

25

26 SECTION 4. EXTRA HELP - OFFICE OF MEDICAID INSPECTOR GENERAL. There is 27 hereby authorized, for the Department of Human Services - Division of Medical 28 Services - Office of Medicaid Inspector General for the 2013-2014 fiscal 29 year, the following maximum number of part-time or temporary employees, to be 30 known as "Extra Help", payable from funds appropriated herein for such 31 purposes: two (2) temporary or part-time employees, when needed, at rates of 32 pay not to exceed those provided in the Uniform Classification and Compensation Act, or its successor, or this act for the appropriate 33 34 classification.

35 36

SECTION 5. APPROPRIATION - OPERATIONS. There is hereby appropriated,

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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 fiscal year ending June 30, 2014, the following:

-		
7	ITEM	FISCAL YEAR
8	NO.	2013-2014
9	(01) REGULAR SALARIES	\$16,178,191
10	(02) EXTRA HELP	201,892
11	(03) PERSONAL SERVICES MATCHING	5,441,071
12	(04) OVERTIME	5,000
13	(05) MAINT. & GEN. OPERATION	
14	(A) OPER. EXPENSE	3,541,565
15	(B) CONF. & TRAVEL	233,728
16	(C) PROF. FEES	555,132
17	(D) CAP. OUTLAY	144,388
18	(E) DATA PROC.	0
19	(06) DATA PROCESSING SERVICES	299,600
20	TOTAL AMOUNT APPROPRIATED	<i>\$26,600,567</i>

21

29

6

22 SECTION 6. APPROPRIATION - OFFICE OF MEDICAID INSPECTOR GENERAL. There 23 is hereby appropriated, to the Department of Human Services - Division of 24 Medical Services, to be payable from the paying account as determined by the 25 Chief Fiscal Officer of the State, for personal services and operating 26 expenses of the Department of Human Services - Division of Medical Services -27 Office of Medicaid Inspector General for the fiscal year ending June 30, 28 2014, the following:

30	ITEM		FISCAL YEAR
31	NO.		2013-2014
32	(01)	REGULAR SALARIES	\$1,345,580
33	(02)	EXTRA HELP	151,234
34	(03)	PERSONAL SERVICES MATCHING	376,763
35	(04)	MAINT. & GEN. OPERATION	
36		(A) OPER. EXPENSE	76,542

5

1	(B) CONF. & TRAVEL	12,612
2	(C) PROF. FEES	0
3	(D) CAP. OUTLAY	5,612
4	(E) DATA PROC.	0
5	TOTAL AMOUNT APPROPRIATED	<u>\$1,968,343</u>
6		
7	SECTION 7. APPROPRIATION - GRANTS. There is hereby a	ppropriated, to
8	the Department of Human Services - Division of Medical Serv	ices, to be
9	payable from the paying account as determined by the Chief	Fiscal Officer of
10	the State, for grant payments of the Department of Human Se	rvices - Division
11	of Medical Services - Grants for the fiscal year ending Jun	e 30, 2014, the
12	following:	
13		
14	ITEM	FISCAL YEAR
15	NO.	2013-2014
16	(01) PRIVATE NURSING HOME CARE	\$687,787,762
17	(02) INFANT INFIRMARY	26,733,146
18	(03) PUBLIC NURSING HOME CARE	212,598,210
19	(04) PRESCRIPTION DRUGS	373,142,423
20	(05) HOSPITAL AND MEDICAL SERVICES	3,905,842,951
21	(06) CHILD AND FAMILY LIFE INSTITUTE	2,100,000
22	(07) ARKIDS B PROGRAM	137,336,792
23	TOTAL AMOUNT APPROPRIATED	<u>\$5,345,541,284</u>
24		
25	SECTION 8. APPROPRIATION - NURSING HOME CLOSURE COSTS	. There is hereby
26	appropriated, to the Department of Human Services - Divisio	n of Medical
27	Services, to be payable from the Long-Term Care Trust Fund,	for the payment
28	of relocation costs of residents in long-term care faciliti	es, maintenance
29	and operation of a facility pending correction of deficienc	ies or closure,
30	and reimbursement of residents for personal funds lost for	the fiscal year
31	ending June 30, 2014, the following:	
32		
33	ITEM	FISCAL YEAR
34	_NO.	2013-2014
35	(01) EXPENSES	\$50,000
36		

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1	SECTION 9. APPROPRIATION - LONG-TERM CARE FACILITY RECEIVERSHIP. There
2	is hereby appropriated, to the Department of Human Services - Division of
3	Medical Services, to be payable from the Long Term Care Facility Receivership
4	Fund Account, for the payment of expenses of long-term care facility
5	receivers as authorized by law of the Department of Human Services - Division
6	of Medical Services - Long-Term Care Facility Receivership for the fiscal
7	year ending June 30, 2014, the following:
8	
9	ITEM FISCAL YEAR
10	<u>NO.</u> 2013-2014
11	(01) EXPENSES\$100,000
12	
13	SECTION 10. APPROPRIATION - NURSING HOME QUALITY GRANTS. There is
14	hereby appropriated, to the Department of Human Services - Division of
15	Medical Services, to be payable from the Long-Term Care Trust Fund, for
16	Nursing Home Quality Grants of the Department of Human Services - Division of
17	Medical Services - Nursing Home Quality Grants for the fiscal year ending
18	June 30, 2014, the following:
19	
19 20	ITEM FISCAL YEAR
	ITEM FISCAL YEAR NO. 2013-2014
20	
20 21	NO. 2013-2014
20 21 22	NO. 2013-2014
20 21 22 23	NO. 2013-2014 (01) NURSING HOME QUALITY GRANTS AND AID \$1,500,000
20 21 22 23 24	NO. 2013-2014 (01) NURSING HOME QUALITY GRANTS AND AID \$1,500,000 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
20 21 22 23 24 25	NO. 2013-2014 (01) NURSING HOME QUALITY GRANTS AND AID
20 21 22 23 24 25 26	NO. 2013-2014 (01) NURSING HOME QUALITY GRANTS AND AID \$1,500,000 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. DEPARTMENT OF HUMAN SERVICES GRANTS FUND ACCOUNT. The Department of Human
20 21 22 23 24 25 26 27	NO. 2013-2014 (01) NURSING HOME QUALITY GRANTS AND AID \$1,500,000 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. DEPARTMENT OF HUMAN SERVICES GRANTS FUND ACCOUNT. The Department of Human Services Grants Fund Account shall be used for the following grant programs
20 21 22 23 24 25 26 27 28	NO. 2013-2014 (01) NURSING HOME QUALITY GRANTS AND AID
20 21 22 23 24 25 26 27 28 29	NO. 2013-2014 (01) NURSING HOME QUALITY GRANTS AND AID <u>\$1,500,000</u> SECTION <i>11</i> . SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. DEPARTMENT OF HUMAN SERVICES GRANTS FUND ACCOUNT. The Department of Human Services Grants Fund Account shall be used for the following grant programs to consist of general revenues and any other nonfederal funds, as may be appropriated by the General Assembly:
20 21 22 23 24 25 26 27 28 29 30	NO. 2013-2014 (01) NURSING HOME QUALITY GRANTS AND AID <u>\$1,500,000</u> SECTION <i>11</i> . SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. DEPARTMENT OF HUMAN SERVICES GRANTS FUND ACCOUNT. The Department of Human Services Grants Fund Account shall be used for the following grant programs to consist of general revenues and any other nonfederal funds, as may be appropriated by the General Assembly: (i) Children's Medical Services;
20 21 22 23 24 25 26 27 28 29 30 31	NO. 2013-2014 (01) NURSING HOME QUALITY GRANTS AND AID
20 21 22 23 24 25 26 27 28 29 30 31 32	NO. 2013-2014 (01) NURSING HOME QUALITY GRANTS AND AID
20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35	NO. 2013-2014 (01) NURSING HOME QUALITY GRANTS AND AID
20 21 22 23 24 25 26 27 28 29 30 31 32 33 34	NO. 2013-2014 (01) NURSING HOME QUALITY GRANTS AND AID <u>S1,500,000</u> SECTION <i>11</i> . SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. DEPARTMENT OF HUMAN SERVICES GRANTS FUND ACCOUNT. The Department of Human Services Grants Fund Account shall be used for the following grant programs to consist of general revenues and any other nonfederal funds, as may be appropriated by the General Assembly: (i) Children's Medical Services; (ii) Food Stamp Employment and Training Program; (iii) Aid to the Aged, Blind, and Disabled; (iv) Transitional Employment Assistance Program; (v) Private nursing home care;

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- 1 (viii) Prescription Drugs;
- 2 (ix) Hospital and Medical Services;
- 3 (x) Child and Family Life Institute;
- 4 (xi) Community Services Block Grant;
- 5 (xii) ARKIDSFIRST;
- 6 (xiii) Child Health Management Services; and
- 7 (xiv) Child Care Grant
- 8

SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 9 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL 10 11 SERVICES - CHILD AND FAMILY LIFE INSTITUTE. The Child Health and Family Life 12 Institute shall be administered under the direction of Arkansas Children's 13 Hospital. Arkansas Children's Hospital shall enter into a cooperative 14 agreement and/or contract with the University of Arkansas for Medical 15 Sciences - Department of Pediatrics for services required in delivering the 16 programs of the Child Health and Family Life Institute. Utilizing a 17 multidisciplinary collaboration of professionals, the Child Health and Family 18 Life Institute shall provide a statewide effort to explore, develop and 19 evaluate new and better ways to address medically, socially and economically 20 interrelated health and developmental needs of children with special health 21 care needs and their families. The Child Health and Family Life Institute's 22 priorities shall include, but are not limited to, wellness and prevention, 23 screen and diagnosis, treatment and intervention, training and education and 24 research and evaluation.

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

29 The provisions of this section shall be in effect only from July 1, $\frac{2012}{30}$ 30 $\frac{2013}{2013}$ through June 30, $\frac{2013}{2014}$.

31

32 SECTION *13*. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 33 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL 34 SERVICES - PHARMACEUTICAL DISPENSING FEE SURVEY. No more than two years prior 35 to making any changes to the current pharmaceutical dispensing fee, the State 36 shall conduct an independent survey utilizing generally accepted accounting

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1 principles, to determine the cost of dispensing a prescription by pharmacists 2 in Arkansas. Only factors relative to the cost of dispensing shall be surveyed. These factors shall not include actual acquisition costs or average 3 4 profit or any combination of actual acquisition costs or average profit. The 5 survey results shall be the basis for establishing the dispensing fee paid to 6 participating pharmacies in the Medicaid prescription drug program in 7 accordance with Federal requirements. The dispensing fee shall be no lower 8 than the cost of dispensing as determined by the survey. Nothing in this 9 section shall be construed to prohibit the State from increasing the 10 dispensing fee at any time.

11 The provisions of this section shall be in effect only from July 1, 2012
12 <u>2013</u> through June 30, 2014.

13

SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL
 SERVICES - GENERAL MEDICAID RATE METHODOLOGY PROVISIONS.

17 (a) Rates established by the Division of Medical Services for the services 18 or programs covered by this Act shall be calculated by the methodologies 19 approved by the Centers for Medicare and Medicaid Services (CMS). The 20 Division of Medical Services shall have the authority to reduce or increase 21 rates based on the approved methodology. Further, the Division of Medical 22 Services shall have the authority to increase or decrease rates for good 23 cause including, but not limited to: (1) Identification of provider(s) who 24 can render needed services of equal quality at rates less than traditionally 25 charged and who meet the applicable federal and state laws, rules and regulations pertaining to the provision of a particular service; 26 27 (2) Identification that a provider or group of providers has consistently 28 charged rates to the Arkansas Medicaid Program greater than to other 29 purchasers of medical services of similar size; (3) The Division determines that there has been significant changes in the 30 31 technology or process by which services are provided by a provider or group 32 of providers which has affected the costs of providing services, or; 33 (4) A severe economic downturn in the Arkansas economy which has affected the overall state budget of the Division of Medical Services. 34 35 The Division of Medical Services shall make available to requesting

36 providers, the CMS's inflationary forecasts (CMS Market Basket Index). Rates

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1 established with cost of living increases based on the CMS Market Basket
2 Index or other indices will be adjusted annually except when the state budget
3 does not provide sufficient appropriation and funding to affect the change or
4 portion thereof.

5 (b) Any rate methodology changes proposed by the Division of Medical 6 Services both of a general and specific nature, shall be subject to prior 7 review approval by the Legislative Council or Joint Budget Committee. 8 Determining the maximum number of employees and the maximum amount of 9 appropriation and general revenue funding for a state agency each fiscal year 10 is the prerogative of the General Assembly. This is usually accomplished by 11 delineating such maximums in the appropriation act(s) for a state agency and 12 the general revenue allocations authorized for each fund and fund account by 13 amendment to the Revenue Stabilization law. Further, the General Assembly has 14 determined that the Department of Human Services - Division of Medical Services may operate more efficiently if some flexibility is provided to the 15 Department of Human Services - Division of Medical Services authorizing broad 16 17 powers under this section. Therefore, it is both necessary and appropriate 18 that the General Assembly maintain oversight by requiring prior approval of 19 the Legislative Council or Joint Budget Committee as provided by this 20 section. The requirement of approval by the Legislative Council or Joint Budget Committee is not a severable part of this section. If the requirement 21 22 of approval by the Legislative Council or Joint Budget Committee is ruled 23 unconstitutional by a court of competent jurisdiction, this entire section is 24 void. 25 The provisions of this section shall be in effect only from July 1, $\frac{2012}{1}$

26 <u>2013</u> through June 30, <u>2013</u> <u>2014</u>.

27

SECTION 15. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 28 29 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND 30 USAGE AUTHORIZED. The Arkansas Children's Hospital may request the Department 31 of Human Services - Division of Medical Services to retain in the Department 32 of Human Services Grant Fund account an amount not to exceed \$2,100,000 from 33 funds made available by this Act for the Child and Family Life Institute, Section 4, item number 06 to be used to match federal funds used for 34 35 supplemental Medicaid payments to Arkansas Children's Hospital. These 36 retained funds shall not be recovered to transfer to the General Revenue

10

1 Allotment Reserve Fund.

2

SECTION 16. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 3 4 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STATE 5 PLAN. The State Plan must include the provision of EPSDT services as those 6 services are defined in §1396d(r). See §§ 1396a(a)(10)(A), 1396d(a)(4)(B); 7 see also 1396a(a)(43). Section 1396d(r) lists in detail the screening 8 services, vision services, dental services, and hearing services that the 9 State Plan must expressly include, but with regard to treatment services, it 10 states that EPSDT means "[s]uch other necessary health care, diagnostic 11 services, treatment, and other measures described in subsection (a) of this 12 section to correct or ameliorate defects and physical and mental illnesses 13 and conditions discovered by the screening services, whether or not such 14 services are covered under the State plan." 42 U.S.C. § 1396d(r)(5) (emphasis 15 added). Reading \$1396a, \$ 1396d(a), and \$ 1396d(r) together, we believe that 16 the State Plan need not specifically list every treatment service conceivably 17 available under the EPSDT mandate.

18 The State Plan, however, must pay part or all of the cost of treatments to 19 ameliorate conditions discovered by the screening process when those 20 treatments meet the definitions set forth in § 1396a. See §1396d(r)(5); see also §§1396a(a)(10), 1396a (a)(43), and 1396d(a)(4)(B). The Arkansas State 21 22 Plan states that the "State will provide other health care described in [42 23 U.S.C. 1396d(a)] that is found to be medically necessary to correct or 24 ameliorate defects and physical and mental illnesses and conditions 25 discovered by the screening services, even when such health care is not otherwise covered under the State Plan." See State Plan Under Title XIX of 26 27 the Social Security Act Medical Assistance Program, State Of Arkansas at 28 §4.b. This provision Meets the EPSDT mandate of the Medicaid Act. 29 We affirm the district court's decision to the extent that it holds that a Medicaid-Eligible individual has a federal right to early intervention day 30 31 treatment when a physician recommends such treatment. Section 1396d(r)(5)states that EPSDT includes any treatments or measures outlined in §1396d(a). 32 There are twenty-seven sub-parts to §1396d(a), and we find that sub-part 33 34 (a)(13), in particular, when read with the other sections of the Medicaid Act 35 listed above, mandates that early intervention day treatment be provided when 36 it is prescribed by a physician. See 42 U.S.C. §1396d(a)(13) (defining

11

1 medical assistance reimbursable by Medicaid as "other diagnostic, screening, 2 preventive, and rehabilitative services, including any medical or remedial services recommended by a physician...for the maximum reduction of physical 3 4 and mental disability and restoration of an individual to the best possible 5 functional level"). Therefore, after CHMS clinic staff perform a diagnostic 6 evaluation of an eligible child, if the CHMS physician prescribes early 7 intervention day treatment as a service that would lead to the maximum 8 reduction of medical and physical disabilities and restoration of the child 9 to his or her best possible functional level, the Arkansas State Plan must 10 reimburse the treatment. Because CHMS clinics are the only providers of early 11 intervention day treatment, Arkansas must reimburse those clinics.

12

SECTION 17. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL
 SERVICES - STATE MEDICAID PROGRAM/PERSONAL CARE PROGRAM.

16 (a) It is the legislative intent that the Department of Human Services in 17 its administration of the Arkansas Medicaid Program set forth Medicaid 18 provider participation requirements for "personal care providers" that will 19 insure sufficient available providers to meet the required needs of all 20 eligible recipients, to include insuring available in home services twenty-21 four (24) hours a day and seven (7) days a week for personal care. 22 (b) For the purposes of this section, "private care agencies" are defined 23 as those providers licensed by the Department of Labor, certified as 24 ElderChoices Providers and who furnish in home staffing services for respite, 25 chore services, and homemaker services, and are covered by liability insurance of not less than one million dollars (\$1,000,000) covering their 26 27 employees and independent contractors while they are engaged in providing 28 services, such as personal care, respite, chore services, and homemaker 29 services.

30 (c) The purpose of this section is to allow the private care agencies 31 defined herein to be eligible to provide Medicaid reimbursed personal care 32 services seven (7) days a week, and does not supercede Department of Human 33 Services rules establishing monthly benefit limits and prior authorization 34 requirements.

35 (d) The availability of providers shall not require the Department of36 Human Services to reimburse for twenty-four (24) hours per day of personal

l care services.

2 (e) The Arkansas Department of Human Services, Medical Services Division 3 shall take such action as required by the Centers for Medicare and Medicaid 4 Services to amend the Arkansas Medicaid manual to include, private care 5 agencies, as qualified entities to provide Medicaid reimbursed personal care 6 services.

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

11 (g) The Arkansas Department of Health shall supervise the conduct of the 12 personal care agencies defined herein.

13 (h) The purpose of this section is to insure the care provided by the 14 private care agencies, is consistent with the rules and regulations of the 15 Arkansas Department of Health.

16 The provisions of this section shall be in effect only from July 1, 2012 17 <u>2013</u> through June 30, 2014.

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19 SECTION 18. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 20 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. REVIEW OF 21 RULES IMPACTING STATE MEDICAID COSTS. (a) In light of the rapidly rising 22 potential costs to the State attributable to the Medicaid program and the 23 importance of Medicaid expenditures to the health and welfare of the citizens 24 of this State, the General Assembly finds it desirable to exercise more 25 thorough review of future proposed changes to rules that might impact those 26 costs or expenditures.

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

33 (1) Reduce the number of individuals covered by Arkansas Medicaid;
34 (2) Limit the types of services covered by Arkansas Medicaid;
35 (3) Reduce the utilization of services covered by Arkansas Medicaid;
36 (4) Reduce provider reimbursement;

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Increase consumer cost-sharing; (5) (6) Reduce the cost of administering Arkansas Medicaid; (7) Increase Arkansas Medicaid revenues; Reduce fraud and abuse in the Arkansas Medicaid program; (8) Change any of the methodologies used for reimbursement of (9) providers; (10) Seek a new waiver or modification of an existing waiver of any provision under Medicaid, Title XIX, of the Social Security Act, including a waiver that would allow a demonstration project; (11) Participate or seek to participate in Social Security Act Section 1115(a)(1) waiver authority that would allow operation of a demonstration project or program; (12) Participate or seek to participate in a Social Security Act Section 1115(a)(2) request for the Secretary of the Department of Health and Human Services to provide federal financial participation for costs associated with a demonstration project or program; Implement managed care provisions under Section 1932 of Medicaid, (13) Title XIX of the Social Security Act; or (14) Participate or seek to participate in the Centers for Medicare and Medicaid Services Innovation projects or programs. (c)(1) In addition to filing requirements under the Arkansas Administrative Procedure Act, § 25-15-201 et seq., and § 10-3-309, the Department of Human Services shall, at least thirty (30) days before the expiration of the period for public comment, file a proposed rule impacting state Medicaid costs or a proposed amendment to an existing rule impacting state Medicaid costs with the Senate Interim Committee on Public Health, Welfare, and Labor and the House Interim Committee on Public Health, Welfare, and Labor, or, when the General Assembly is in session, with the Senate Committee on Public Health, Welfare, and Labor and the House Committee on Public Health, Welfare and Labor. (2) Any review of the proposed rule or proposed amendment to an existing rule by the Senate and House Interim Committees on Public Health, Welfare and Labor or the Senate and House Committees on Public Health,

Welfare, and Labor shall occur within forty-five (45) days of the date the proposed rule or proposed amendment to an existing rule is filed with the committees.

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1 (d)(1) If adopting an emergency rule impacting state Medicaid costs, 2 in addition to the filing requirements under the Arkansas Administrative Procedure Act, § 25-15-201 et seq. and § 10-3-309, the Department of Human 3 4 Services shall notify the Speaker of the House of Representatives, the 5 President Pro Tempore of the Senate, the chair of the Senate Committee on 6 Public Health, Welfare, and Labor, and the chair of the House Committee on 7 Public Health, Welfare and Labor of the emergency rule and provide each of 8 them a copy of the rule within five (5) business days of adopting the rule. 9 (2) Any review of the emergency rule by the Senate and House 10 Interim Committees on Public Health, Welfare and Labor or the Senate and 11 House Committees on Public Health, Welfare, and Labor shall occur within 12 forty-five (45) days of the date the emergency rule is provided to the 13 chairs. 14 (e)(1) The Joint Budget Committee may review a rule impacting state 15 Medicaid costs during a regular, fiscal, or special session of the General 16 Assembly. 17 (2) Actions taken by the Joint Budget Committee when reviewing a 18 rule impacting state Medicaid costs shall have the same effect as actions 19 taken by the Legislative Council under § 10-3-309. 20 (3) If the Joint Budget Committee reviews a rule impacting state 21 Medicaid costs, it shall file a report of its actions with the Legislative 22 Council as soon as practicable. 23 (f) This section expires on June 30, 2013 2014. 24 25 SECTION 19. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS 26 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND 27 TRANSFER PROVISION - MEDICAID PROGRAM. Notwithstanding the provisions of Initiated Act 1 of 2000, or Arkansas Code 19-12-107 regarding the 28 29 establishment of the Arkansas Healthy Century Trust Fund, or any other law to the contrary, immediately upon the effective date of this act, the Chief 30 Fiscal Officer of the State shall transfer on his or her books and those of 31 the State Treasurer and Auditor of State the balance of all moneys in excess 32 of one hundred million dollars (\$100,000,000) in the Arkansas Healthy Century 33 34 Trust Fund from the Arkansas Healthy Century Trust Fund to the Medicaid Expansion Program Account of the Tobacco Settlement Program Fund. 35

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1	SECTION 20. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
2	CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. <u>FUND</u>
3	TRANSFER PROVISION - MEDICAID PROGRAM. Notwithstanding the provisions of
4	Initiated Act 1 of 2000, or Arkansas Code 19-12-104 regarding the
5	establishment and administration of the Tobacco Settlement Cash Holding Fund,
6	or any other laws to the contrary, the entire amount of the settlement funds
7	received, approximately twenty-two million seven hundred sixty-eight thousand
8	one hundred twenty-six dollars (\$22,768,126), or so much as is actually
9	awarded and received by the state, through the settlement agreement in the
10	nearly decade old dispute between Arkansas and the tobacco companies that
11	signed the Master Settlement Agreement, shall be deposited into the Tobacco
12	Settlement Cash Holding Fund and not distributed under the provisions of the
13	<u>Tobacco Settlement Proceeds Act, but instead such settlement funds shall be</u>
14	deposited directly into and credited to the Medicaid Expansion Program
15	Account of the Tobacco Settlement Program Fund.
16	
17	SECTION 21. SPECIAL LANGUAGE. HEALTH CARE INDEPENDENCE ACT OF 2013.
18	Arkansas Code Title 20, Chapter 77, is amended to create a new subchapter to
19	read as follows:
20	<u>Subchapter 21 — Health Care Independence Act of 2013</u>
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22	<u>20-77-2101. Title.</u>
23	This act shall be known and may be cited as the "Health Care
24	Independence Act of 2013".
25	
26	<u>20-77-2102. Legislative intent.</u>
27	(a) Notwithstanding any general or specific laws to the contrary, the
28	<u>Department of Human Services is to explore design options that reform the</u>
29	<u>Medicaid Program utilizing the Health Care Independence Act of 2013 so that</u>
30	it is a fiscally sustainable, cost-effective, personally responsible, and
31	opportunity-driven program utilizing competitive and value-based purchasing
32	<u>to:</u>
33	(1) Maximize the available service options;
34	(2) Promote accountability, personal responsibility, and
35	transparency;
36	(3) Encourage and reward healthy outcomes and responsible

 2 (4) Promote efficiencies that will deliver value to the 3 taxpayers. 4 (b)(1) It is the intent of the General Assembly that the State of 5 Arkansas through the Department of Human Services shall utilize a private 6 insurance option for "low-risk" adults. 7 (2) The Health Care Independence Act of 2013 shall ensure the 8 (A) Private health care options increase and governmen 9 operated programs such as Medicaid decrease; and 10 (B) Decisions about the design, operation and 11 implementation of this option, including cost, remain within the purview of 12 the State of Arkansas and not with Washington, D.C. 	
4 (b)(1) It is the intent of the General Assembly that the State of 5 Arkansas through the Department of Human Services shall utilize a private 6 insurance option for "low-risk" adults. 7 (2) The Health Care Independence Act of 2013 shall ensure the 8 (A) Private health care options increase and governmen 9 operated programs such as Medicaid decrease; and 10 (B) Decisions about the design, operation and 11 implementation of this option, including cost, remain within the purview 12 the State of Arkansas and not with Washington, D.C.	
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9 operated programs such as Medicaid decrease; and (B) Decisions about the design, operation and implementation of this option, including cost, remain within the purview the State of Arkansas and not with Washington, D.C. 13	at:
10 <u>(B) Decisions about the design, operation and</u> 11 <u>implementation of this option, including cost, remain within the purview</u> 12 <u>the State of Arkansas and not with Washington, D.C.</u> 13	<u>t-</u>
11 <u>implementation of this option, including cost, remain within the purview</u> 12 <u>the State of Arkansas and not with Washington, D.C.</u> 13	
12 <u>the State of Arkansas and not with Washington, D.C.</u> 13	
13	<u>of</u>
14 <u>20-77-2103. Purpose.</u>	
15 <u>(a) The purpose of this subchapter is to:</u>	
16 <u>(1) Improve access to quality health care;</u>	
17 (2) Attract insurance carriers and enhance competition in the	<u>e</u>
18 <u>Arkansas insurance marketplace;</u>	
19 (3) Promote individually-owned health insurance;	
20 <u>(4) Strengthen personal responsibility through cost-sharing;</u>	<u>.</u>
21 (5) Improve continuity of coverage;	
22 (6) Reduce the size of the state-administered Medicaid progr	am;
23 (7) Encourage appropriate care, including early intervention	9
24 <i>prevention, and wellness;</i>	
25 (8) Increase quality and delivery system efficiencies;	
26 (9) Facilitate Arkansas's continued payment innovation, deli	very
27 system reform, and market-driven improvements;	
28 <u>(10) Discourage over-utilization; and</u>	
29 <u>(11) Reduce waste, fraud, and abuse.</u>	
30 (b) The State of Arkansas shall take an integrated and market-base	d
31 <i>approach to covering low-income Arkansans through offering new coverage</i>	
32 <u>opportunities, stimulating market competition, and offering alternatives</u>	<u>to</u>
33 <u>the existing Medicaid program.</u>	
34	
35 <u>20-77-2104. Definitions.</u>	
36 <u>As used in this subchapter:</u>	

1	(1) "Carrier" means a private entity certified by the State
2	Insurance Department and offering plans through the Health Insurance
3	<u>Marketplace;</u>
4	(2) "Cost sharing" means the portion of the cost of a covered
5	medical service that must be paid by or on behalf of eligible individuals,
6	consisting of copayments or coinsurance but not deductibles;
7	(3) "Eligible individuals" means individuals who:
8	(A) Are adults between nineteen (19) years of age and
9	sixty-five (65) years of age with an income that is equal to or less than one
10	hundred thirty-eight percent (138%) of the federal poverty level, including
11	without limitation individuals who would not be eligible for Medicaid under
12	laws and rules in effect on January 1, 2013;
13	(B) Have been authenticated to be a United States citizen
14	or documented qualified alien according to the federal Personal
15	Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No.
16	104-193, as existing on January 1, 2013; and
17	(C) Are not determined to be more effectively covered
18	through the standard Medicaid program, such as an individual who is medically
19	frail or other individuals with exceptional medical needs for whom coverage
20	through the Health Insurance Marketplace is determined to be impractical,
21	overly complex, or would undermine continuity or effectiveness of care;
22	(4) "Healthcare coverage" means healthcare benefits as defined
23	by certification or rules, or both, promulgated by the State Insurance
24	Department for the Qualified Health Plans or available on the marketplace;
25	(5) "Health Insurance Marketplace" means the vehicle created to
26	help individuals, families, and small businesses in Arkansas shop for and
27	select health insurance coverage in a way that permits comparison of
28	available Qualified Health Plan based upon price, benefits, services, and
29	quality, regardless of the governance structure of the marketplace;
30	(6) "Premium" means a charge that must be paid as a condition of
31	<u>enrolling in health care coverage;</u>
32	(7) "Program" means the Health Care Independence Program
33	established by this subchapter; and
34	(8) "Qualified Health Plan" means a State Insurance Department
35	certified individual health insurance plan offered by a carrier through the
36	<u>Health Insurance Marketplace.</u>

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2	20-77-2105. Administration of the Health Care Independence Program.
3	(a) The Department of Human Services shall:
4	(1) Create and administer the Health Care Independence Program;
5	and
6	(2) Submit Medicaid State Plan Amendments and apply for any
7	federal waivers necessary to implement the program in a manner consistent
8	with this subchapter.
9	(b)(1) Implementation of the program is conditioned upon the receipt
10	of necessary federal approvals.
11	(2) If the Department of Human Services does not receive the
12	necessary federal approvals, the program shall not be implemented.
13	(c) The program shall include premium assistance for eligible
14	individuals to enable their enrollment in a Qualified Health Plan through the
15	<u>Health Insurance Marketplace.</u>
16	(d)(1) The Department of Human Services is specifically authorized to
17	pay premiums and supplemental cost-sharing subsidies directly to the
18	Qualified Health Plans for enrolled eligible individuals.
19	(2) The intent of the payments under subdivision (d)(1) of this
20	section is to increase participation and competition in the health insurance
21	market, intensify price pressures, and reduce costs for both publicly and
22	privately funded health care.
23	(e) To the extent allowable by law:
24	(1) The Department of Human Services shall pursue strategies
25	that promote insurance coverage of children in their parents' or caregivers'
26	plan, including children eligible for the ARKids First Program Act, § 20-77-
27	1101 et seq., commonly known as the "ARKids B program"; and
28	(2) Upon the receipt of necessary federal approval, during
29	calendar year 2015 the Department of Human Services shall include and
30	transition to the Health Insurance Marketplace:
31	(A) Children eligible for the ARKids First Program Act, §
32	<u>20-77-1101 et seq.; and</u>
33	(B) Populations under Medicaid from zero percent (0%) of
34	the federal poverty level to seventeen percent (17%) of the federal poverty
35	<u>level.</u>
36	(3) The Department of Human Services shall develop and implement

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1	a strategy to inform Medicaid recipient populations whose needs would be
2	reduced or better served through participation in the Health Insurance
3	Marketplace.
4	(f) The program shall include allowable cost sharing for eligible
5	individuals that is comparable to that for individuals in the same income
6	range in the private insurance market and is structured to enhance eligible
7	individuals' investment in their health care purchasing decisions.
8	(g)(1) The State Insurance Department and Department of Human Services
9	shall administer and promulgate rules to administer the program authorized
10	under this subchapter.
11	(2) No less than thirty (30) days before the State Insurance
12	<u>Department and Department of Human Services begin promulgating a rule under</u>
13	this subchapter, the proposed rule shall be presented to the Legislative
14	<u>Council.</u>
15	(h) The program authorized under this subchapter shall terminate
16	within one hundred twenty (120) days after a reduction in any of the
17	following federal medical assistance percentages:
18	(1) One hundred percent (100%) in 2014, 2015,
19	<u>or 2016;</u>
20	(2) Ninety-five percent (95%) in 2017;
21	(3) Ninety-four percent (94%) in 2018;
22	(4) Ninety-three percent (93%) in 2019; and
23	(5) Ninety percent (90%) in 2020 or any year after 2020.
24	(i) An eligible individual enrolled in the program shall affirmatively
25	acknowledge that:
26	(1) The program is not a perpetual federal or state right or a
27	guaranteed entitlement;
28	(2) The program is subject to cancellation upon appropriate
29	notice; and
30	(3) The program is not an entitlement program.
31	<u>(j)(l) The Department of Human Services shall develop a model and seek</u>
32	approval from the Center for Medicare and Medicaid Services to allow a
33	limited number of enrollees to participate in a pilot program testing the
34	viability of a Health Savings Account or a Medical Savings Account.
35	(2) The pilot program shall be implemented during calendar year
36	<u>2015.</u>

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1	(3) As soon as practicable, the Department of Human Services
2	shall seek conditional federal approval to place Health Saving Accounts and
3	Medical Savings Accounts on the Health Insurance Marketplace.
4	(k)(1) State obligations for uncompensated care shall be projected,
5	tracked, and reported to identify potential incremental future decreases.
6	(2) The Department of Human Services shall recommend appropriate
7	adjustments to the General Assembly.
8	(3) Adjustments shall be made by the General Assembly as
9	appropriate.
10	(1) The Department of Human Services shall track the Hospital
11	Assessment Fee as defined in § 20-77-1902 and report to the General Assembly
12	subsequent decreases based upon reduced uncompensated care.
13	(m) On a quarterly basis, the Department of Human Services and the
14	State Insurance Department shall report to the Legislative Council or to the
15	Joint Budget Committee if the General Assembly is in session, available
16	information regarding:
17	(1) Program enrollment;
18	(2) Patient experience;
19	(3) Economic impact including enrollment distribution;
20	(4) Carrier competition; and
21	(5) Avoided uncompensated care.
22	
23	20-77-2106. Standards of healthcare coverage through the Health
24	Insurance Marketplace.
25	(a) Healthcare coverage shall be achieved through a qualified health
26	plan at the silver level as provided in 42 U.S.C. §§ 18022 and 18071, as
27	existing on January 1, 2013, that restricts cost sharing to amounts that do
28	not exceed Medicaid cost-sharing limitations.
29	(b) All participating carriers in the Health Insurance Marketplace
30	shall offer healthcare coverage conforming to the requirements of this
31	subchapter.
32	<u>(c) To assure price competitive choice among healthcare coverage</u>
33	options, the State Insurance Department shall assure that at least two (2)
34	qualified health plans are offered in each county in the state.
35	(d) Health insurance carriers offering health care coverage for
36	<u>program eligible individuals shall participate in Arkansas Payment</u>

1	Improvement Initiatives including:
2	(1) Assignment of primary care clinician;
3	(2) Support for patient-centered medical home; and
4	(3) Access of clinical performance data for providers.
5	(e) On or before July 1, 2013, the State Insurance Department shall
6	implement through certification requirements, rule, or both the applicable
7	provisions of this subchapter.
8	
9	20-77-2107. Enrollment.
10	(a) The General Assembly shall assure that a mechanism within the
11	Health Insurance Marketplace is established and operated to facilitate
12	enrollment of eligible individuals.
13	(b) The enrollment mechanism shall include an automatic verification
14	system to guard against waste, fraud, and abuse in the program.
15	
16	<u>20-77-2108. Effective date.</u>
17	<u>This subchapter shall be in effect until June 30, 2017, unless amended</u>
18	or extended by the General Assembly.
19	
20	SECTION 22. SPECIAL LANGUAGE. Arkansas Code Title 19, Chapter 5,
21	Subchapter ll, is amended to add an additional section to read as follows:
22	<u> 19-5-1140. Health Care Independence Program Trust Fund.</u>
23	(a) There is created on the books of the Treasurer of State, the
24	Auditor of State, and the Chief Fiscal Officer of the State a trust fund to
25	<u>be known as the "Health Care Independence Program Trust Fund".</u>
26	(b)(1) The Health Care Independence Program Trust Fund may consist of
27	moneys saved and accrued under the Health Care Independence Act of 2013, §
28	20-77-2101 et seq., including without limitation:
29	<u>(A) Increases in premium tax collections;</u>
30	(B) Reductions in uncompensated care; and
31	(C) Other spending reductions resulting from the Health
32	<u>Care Independence Act of 2013, § 20-77-2101 et seq.</u>
33	(2) The fund shall also consist of other revenues and funds
34	authorized by law.
35	<u>(c) The fund may be used by the Department of Human Services to pay</u>
36	for future obligations under the Health Care Independence Program created by

1 the Health Care Independence Act of 2013, § 20-77-2101 et seq. 2 3 SECTION 23. SPECIAL LANGUAGE. DO NOT CODIFY. (a) The implementation 4 of Sections 18 and 19 of this act is suspended until an appropriation for 5 implementation is passed by a three-fourths vote of both houses of the 6 Eighty-Ninth General Assembly. 7 (b) If an appropriation for implementation is not passed by the 8 Eighty-Ninth General Assembly, Sections 18 and 19 of this act are void. 9 10 SECTION 24. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized by this act shall be limited to the appropriation for such agency 11 12 and funds made available by law for the support of such appropriations; and 13 the restrictions of the State Procurement Law, the General Accounting and 14 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary 15 Procedures and Restrictions Act, or their successors, and other fiscal 16 control laws of this State, where applicable, and regulations promulgated by 17 the Department of Finance and Administration, as authorized by law, shall be 18 strictly complied with in disbursement of said funds. 19 20 SECTION 25. LEGISLATIVE INTENT. It is the intent of the General 21 Assembly that any funds disbursed under the authority of the appropriations 22 contained in this act shall be in compliance with the stated reasons for 23 which this act was adopted, as evidenced by the Agency Requests, Executive 24 Recommendations and Legislative Recommendations contained in the budget 25 manuals prepared by the Department of Finance and Administration, letters, or 26 summarized oral testimony in the official minutes of the Arkansas Legislative 27 Council or Joint Budget Committee which relate to its passage and adoption. 28 29 SECTION 26. EMERGENCY CLAUSE. (a) It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits 30 the appropriation of funds for more than a one (1) year period; that the 31 effectiveness of this Act on July 1, 2013, is essential to the operation of 32 the agency for which the appropriations in this Act are provided, and that in 33 the event of an extension of the legislative session, the delay in the 34 effective date of this Act beyond July 1, 2013, could work irreparable harm 35 36 upon the proper administration and provision of essential governmental 23 01-30-2013 10:21:16 JKG039

1	programs. Therefore, an emergency is hereby declared to exist and Sections 1-
2	20 and 24-25 of this Act being necessary for the immediate preservation of
3	the public peace, health and safety shall be in full force and effect from
4	and after July 1, 2013.
5	(b) It is found and determined by the General Assembly of the State of
6	Arkansas that the Health Care Independence Program requires private insurance
7	companies to create, present to the Department of Human Services for
8	approval, implement, and market a new kind of insurance policy; and that the
9	private insurance companies need certainty about the law creating the Health
10	Care Independence Program before fully investing time, funds, personnel, and
11	other resources to the development of the new insurance policies. Therefore,
12	an emergency is declared to exist, and Sections 21-23 of this act being
13	immediately necessary for the preservation of the public peace, health, and
14	safety shall become effective on:
15	(1) The date of its approval by the Governor;
16	(2) If the bill is neither approved nor vetoed by the Governor,
17	the expiration of the period of time during which the Governor may veto the
18	<u>bill; or</u>
19	(3) If the bill is vetoed by the Governor and the veto is
20	overridden, the date the last house overrides the veto.
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23	/s/Joint Budget Committee
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