

Stricken language will be deleted and underlined language will be added.

1 State of Arkansas As Engrossed: S4/23/24 S4/24/24

2 94th General Assembly

A Bill

3 Fiscal Session, 2024

SENATE BILL 19

4

5 By: Joint Budget Committee

6

7

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, 2025; AND FOR OTHER

12

PURPOSES.

13

14

15

Subtitle

16

AN ACT FOR THE DEPARTMENT OF HUMAN

17

SERVICES - DIVISION OF MEDICAL SERVICES

18

APPROPRIATION FOR THE 2024-2025 FISCAL

19

YEAR.

20

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

2024-2025 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

Employees

2024-2025

32

(1) N249N DHS DIVISION DIRECTOR

1

GRADE SE02

33

~~(2) N027N DHS DEPUTY DIRECTOR ADULT SERVICES~~

~~1~~

~~GRADE SE01~~

34

(3) L016N REGISTERED PHARMACIST

4

GRADE MP05

35

(4) L009C NURSE MANAGER

1

GRADE MP03

36

(5) L027C REGISTERED NURSE SUPERVISOR

3

GRADE MP02



1	(6)	L038C REGISTERED NURSE	9	GRADE MP01
2	(7)	D006N STATE SYSTEMS ARCHITECT	1	GRADE IT10
3	(8)	D007C INFORMATION SYSTEMS MANAGER	2	GRADE IT08
4	(9)	D030C INFORMATION SYSTEMS COORDINATOR	1	GRADE IT07
5	(10)	D038C SENIOR SOFTWARE SUPPORT ANALYST	1	GRADE IT06
6	(11)	D061C INFORMATION SYSTEMS COORDINATION SPEC	1	GRADE IT05
7	(12)	D058C COMPUTER OPERATIONS COORDINATOR	1	GRADE IT04
8	(13)	D068C INFORMATION SYSTEMS ANALYST	1	GRADE IT04
9	(14)	A019N DHS DEP CHIEF FIN OFFICER-MEDICAL SVCS	1	GRADE GS15
10	(15)	G286C DMS DEPUTY DIRECTOR	1	GRADE GS15
11	(16)	P077C DHS COMM & COMMUNITY ENGAGEMENT OFCR	1	GRADE GS14
12	(17)	N100N DHS/DMS ADD - MEDICAL SERVICES	1	GRADE GS14
13	(18)	N110N DHS ASST DIR CONTRACT MONITORING UNIT	1	GRADE GS13
14	(19)	N128N DHS ASST DIR QUALITY ASSURANCE	1	GRADE GS13
15	(20)	G025C ATTORNEY SUPERVISOR	1	GRADE GS12
16	(21)	N168N DHS DIR HOME & COMMUNITY BASED SVCS	1	GRADE GS12
17	(22)	A016C DHS DMS BUSINESS OPERATIONS MANAGER	8	GRADE GS12
18	(23)	G073C ATTORNEY	1	GRADE GS10
19	(24)	L010C DHS DMS MEDICAL ASSISTANCE MANAGER	3	GRADE GS10
20	(25)	G099C DHS PROGRAM ADMINISTRATOR	17	GRADE GS09
21	(26)	R021C BUDGET ANALYST	1	GRADE GS08
22	(27)	G152C DHS PROGRAM MANAGER	8	GRADE GS08
23	(28)	A081C AUDITOR	1	GRADE GS07
24	(29)	G183C DHS PROGRAM COORDINATOR	7	GRADE GS07
25	(30)	C037C ADMINISTRATIVE ANALYST	2	GRADE GS06
26	(31)	R027C BUDGET SPECIALIST	1	GRADE GS06
27	(32)	C013C MEDICAL SERVICES REPRESENTATIVE	1	GRADE GS06
28	(33)	C036C ADMINISTRATIVE REVIEW ANALYST	1	GRADE GS05
29	(34)	L070C HEALTH CARE ANALYST	4	GRADE GS05
30	(35)	C056C ADMINISTRATIVE SPECIALIST III	4	GRADE GS04
31	(36)	A098C FISCAL SUPPORT SPECIALIST	<u>1</u>	GRADE GS04
32		MAX. NO. OF EMPLOYEES	92	

33

34 SECTION 2. EXTRA HELP - OPERATIONS. There is hereby authorized, for
 35 the Department of Human Services - Division of Medical Services for the 2024-
 36 2025 fiscal year, the following maximum number of part-time or temporary

1 employees, to be known as "Extra Help", payable from funds appropriated
 2 herein for such purposes: ten (10) temporary or part-time employees, when
 3 needed, at rates of pay not to exceed those provided in the Uniform
 4 Classification and Compensation Act, or its successor, or this act for the
 5 appropriate classification.

6

7 SECTION 3. APPROPRIATION - OPERATIONS. There is hereby appropriated,
 8 to the Department of Human Services, to be payable from the paying account as
 9 determined by the Chief Fiscal Officer of the State, for personal services
 10 and operating expenses of the Department of Human Services - Division of
 11 Medical Services for the fiscal year ending June 30, 2025, the following:

12

13 ITEM	FISCAL YEAR
14 <u>NO.</u>	<u>2024-2025</u>
15 (01) REGULAR SALARIES	\$6,166,219
16 (02) EXTRA HELP	201,892
17 (03) PERSONAL SERVICES MATCHING	2,258,690
18 (04) OVERTIME	2,241
19 (05) MAINT. & GEN. OPERATION	
20 (A) OPER. EXPENSE	1,813,290
21 (B) CONF. & TRAVEL	40,099
22 (C) PROF. FEES	700,000
23 (D) CAP. OUTLAY	0
24 (E) DATA PROC.	0
25 (06) DATA PROCESSING SERVICES	<u>1,299,600</u>
26 TOTAL AMOUNT APPROPRIATED	<u>\$12,482,031</u>

27

28 SECTION 4. APPROPRIATION - GRANTS. There is hereby appropriated, to
 29 the Department of Human Services, to be payable from the paying account as
 30 determined by the Chief Fiscal Officer of the State, for grant payments of
 31 the Department of Human Services - Division of Medical Services for the
 32 fiscal year ending June 30, 2025, the following:

33

34 ITEM	FISCAL YEAR
35 <u>NO.</u>	<u>2024-2025</u>
36 (01) ARKIDS B PROGRAM	\$207,222,020

1	(02) HOSPITAL AND MEDICAL SERVICES	8,356,005,717
2	(03) PRESCRIPTION DRUGS	585,636,547
3	(04) PRIVATE NURSING HOME CARE	1,007,142,061
4	(05) CHILD AND FAMILY LIFE INSTITUTE	2,100,000
5	(06) INFANT INFIRMARY	2,588,441
6	(07) PUBLIC NURSING HOME CARE	<u>217,529,350</u>
7	TOTAL AMOUNT APPROPRIATED	<u>\$10,378,224,136</u>

8

9 SECTION 5. APPROPRIATION - NURSING HOME CLOSURE COSTS. There is hereby
 10 appropriated, to the Department of Human Services - Division of Medical
 11 Services, to be payable from the Long-Term Care Trust Fund, for the payment
 12 of relocation costs of residents in long-term care facilities, maintenance
 13 and operation of a facility pending correction of deficiencies or closure,
 14 and reimbursement of residents for personal funds lost for the fiscal year
 15 ending June 30, 2025, the following:

16

17	ITEM	FISCAL YEAR
18	<u>NO.</u>	<u>2024-2025</u>
19	(01) EXPENSES	<u>\$4,500,000</u>

20

21 SECTION 6. APPROPRIATION - LONG-TERM CARE FACILITY RECEIVERSHIP. There
 22 is hereby appropriated, to the Department of Human Services, to be payable
 23 from the Long Term Care Facility Receivership Fund Account, for the payment
 24 of expenses of long-term care facility receivers as authorized by law of the
 25 Department of Human Services - Division of Medical Services - Long-Term Care
 26 Facility Receivership for the fiscal year ending June 30, 2025, the
 27 following:

28

29	ITEM	FISCAL YEAR
30	<u>NO.</u>	<u>2024-2025</u>
31	(01) EXPENSES	<u>\$100,000</u>

32

33 SECTION 7. APPROPRIATION - NURSING HOME QUALITY GRANTS. There is
 34 hereby appropriated, to the Department of Human Services, to be payable from
 35 the Long-Term Care Trust Fund, for Nursing Home Quality Care Grants of the
 36 Department of Human Services - Division of Medical Services - Nursing Home

1 Quality Grants for the fiscal year ending June 30, 2025, the following:

2

3 ITEM	FISCAL YEAR
4 <u>NO.</u>	<u>2024-2025</u>
5 (01) NURSING HOME QUALITY GRANTS AND AID	<u>\$4,000,000</u>

6

7 SECTION 8. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 8 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
 9 MEDICAL SERVICES - GENERAL MEDICAID RATE METHODOLOGY PROVISIONS.

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

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

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

1 Determining the maximum number of employees and the maximum amount of
2 appropriation and general revenue funding for a state agency each fiscal year
3 is the prerogative of the General Assembly. This is usually accomplished by
4 delineating such maximums in the appropriation act(s) for a state agency and
5 the general revenue allocations authorized for each fund and fund account by
6 amendment to the Revenue Stabilization law. Further, the General Assembly has
7 determined that the Department of Human Services – Division of Medical
8 Services may operate more efficiently if some flexibility is provided to the
9 Department of Human Services – Division of Medical Services authorizing broad
10 powers under this section. Therefore, it is both necessary and appropriate
11 that the General Assembly maintain oversight by requiring prior approval of
12 the Legislative Council or Joint Budget Committee as provided by this
13 section. The requirement of approval by the Legislative Council or Joint
14 Budget Committee is not a severable part of this section. If the requirement
15 of approval by the Legislative Council or Joint Budget Committee is ruled
16 unconstitutional by a court of competent jurisdiction, this entire section is
17 void.

18 The provisions of this section shall be in effect only from July 1, ~~2023~~
19 2024 through June 30, ~~2024~~ 2025.

20

21 SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
22 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUND
23 USAGE AUTHORIZED. The Arkansas Children’s Hospital may request the Department
24 of Human Services - Division of Medical Services to retain in the Department
25 of Human Services Grant Fund account an amount not to exceed \$2,100,000 from
26 funds made available by this Act in the Child and Family Life Institute line
27 item of the Grants appropriation to be used to match federal funds used for
28 supplemental Medicaid payments to Arkansas Children’s Hospital. These
29 retained funds shall not be recovered to transfer to the General Revenue
30 Allotment Reserve Fund.

31 The provisions of this section shall be in effect only from July 1, ~~2023~~
32 2024 through June 30, ~~2024~~ 2025.

33

34 SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
35 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. ARKANSAS
36 HEALTH AND OPPORTUNITY FOR ME AND ARKANSAS HEALTH INSURANCE MARKETPLACE

1 RESTRICTIONS. (a) As used in this section, "Arkansas Health and Opportunity
2 for Me" means Arkansas Health and Opportunity for Me established under the
3 Arkansas Health and Opportunity for Me Act of 2021, Arkansas Code § 23-61-
4 1001 et seq.

5 (b)(1) Determining the maximum number of employees, the maximum amount
6 of appropriation, for what purposes an appropriation is authorized, and
7 general revenue funding for a state agency each fiscal year is the
8 prerogative of the General Assembly.

9 (2) The purposes of subdivision (b)(1) of this section are
10 typically accomplished by:

11 (A) Identifying the purpose in the appropriation act;

12 (B) Delineating such maximums in the appropriation act for
13 a state agency; and

14 (C) Delineating the general revenue allocations authorized
15 for each fund and fund account by amendment to the Revenue Stabilization Law,
16 Arkansas Code § 19-5-101 et seq.

17 (3) It is both necessary and appropriate that the General
18 Assembly restrict the use of appropriations authorized in this act.

19 (c)(1) Except as provided in this subsection, the Department of Human
20 Services shall not allocate, budget, expend, or utilize any appropriation
21 authorized by the General Assembly for the purpose of advertisement,
22 promotion, or other activities designed to promote or encourage enrollment in
23 the Arkansas Health Insurance Marketplace or Arkansas Health and Opportunity
24 for Me, including without limitation:

25 (A) Unsolicited communications mailed to potential
26 recipients;

27 (B) Television, radio, or online commercials;

28 (C) Billboard or mobile billboard advertising;

29 (D) Advertisements printed in newspapers, magazines, or
30 other print media; and

31 (E) Internet websites and electronic media.

32 (2) This subsection does not prohibit the department from:

33 (A) Direct communications with:

34 (i) Licensed insurance agents; and

35 (ii) Persons licensed by the department;

36 (B) Solicited communications with potential recipients;

1 (C)(i) Responding to an inquiry regarding the coverage for
2 which a potential recipient might be eligible, including without limitation
3 providing educational materials or information regarding any coverage for
4 which the individual might qualify.

5 (ii) Educational materials and information
6 distributed under subdivision (c)(2)(C)(i) of this section shall contain only
7 factual information and shall not contain subjective statements regarding the
8 coverage for which the potential recipient might be eligible; and

9 (D) Using an Internet website for the exclusive purpose of
10 enrolling individuals in the Arkansas Health Insurance Marketplace or
11 Arkansas Health and Opportunity for Me.

12 (d) The Department of Human Services shall not apply for or accept any
13 funds, including without limitation federal funds, for the purpose of
14 advertisement, promotion, or other activities designed to promote or
15 encourage enrollment in the Arkansas Health Insurance Marketplace or Arkansas
16 Health and Opportunity for Me.

17 (e)(1) Except as provided in subdivision (e)(2) of this section, the
18 Department of Human Services shall not:

19 (A)(i) Except as provided in subdivision (e)(1)(A)(ii) of
20 this section, allocate, budget, expend, or utilize an appropriation
21 authorized by the General Assembly for the purpose of funding activities of
22 navigators, guides, certified application counselors, and certified licensed
23 producers under the Arkansas Health Insurance Marketplace Navigator, Guide,
24 and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.

25 (ii) Subdivision (e)(1)(A)(i) of this section does
26 not apply to regulatory and training responsibilities related to navigators,
27 guides, certified application counselors, and certified licensed producers;
28 and

29 (B) Apply for or accept any funds, including without
30 limitation federal funds, for the purpose of funding activities of
31 navigators, guides, certified application counselors, and certified licensed
32 producers under the Arkansas Health Insurance Marketplace Navigator, Guide,
33 and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.

34 (2) Subdivision (e)(1) of this section does not apply to
35 certified application counselors at health related institutions, including
36 without limitation the University of Arkansas for Medical Sciences.

1 (f) An appropriation authorized by the General Assembly shall not be
2 subject to the provisions allowed through reallocation of resources or
3 transfer of appropriation authority for the purpose of transferring an
4 appropriation to any other appropriation authorized for the Department of
5 Human Services to be allocated, budgeted, expended, or utilized in a manner
6 prohibited by this section.

7 (g) The provisions of this section are severable, and the invalidity
8 of any subsection or subdivision of this section shall not affect other
9 provisions of the section that can be given effect without the invalid
10 provision.

11 (h) This section expires on June 30, ~~2024~~ 2025.

12
13 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
14 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. MEDICAL
15 SERVICES – COMMUNITY AND EMPLOYMENT SUPPORTS MEDICAID WAIVER.

16 (a) Of the funding allocated to the Department of Human Services Grants
17 Fund Account under § 19-5-402, the first thirty-seven million six hundred
18 thousand dollars (\$37,600,000) shall be set aside in its own subfund by the
19 Department of Human Services and shall be used only for home and community-
20 based services to individuals with intellectual and developmental
21 disabilities under the Community and Employment Supports Medicaid Waiver
22 Program or a successor Medicaid Waiver program that provides home and
23 community-based services to individuals with intellectual and developmental
24 disabilities.

25 (b) At the close of the fiscal year ending June 30, ~~2024~~ 2025, any
26 unexpended balance of monies set aside as established in subsection (a)
27 herein shall be transferred forward and made available for the same purpose
28 for the fiscal year ending June 30, ~~2025~~ 2026.

29 (c) The provisions of this section shall be in effect only from July 1,
30 ~~2023~~ 2024 through June 30, ~~2024~~ 2025.

31
32 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
33 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
34 ASSISTED LIVING FACILITY REIMBURSEMENT - ACCOUNTING OF HOME AND COMMUNITY-
35 BASED FUNDS.

36 (a)(1) The Department of Human Services shall take the necessary

1 action to submit a waiver application to the Centers for Medicare and
2 Medicaid Services to increase reimbursement rates for assisted living
3 facilities under the Living Choices Assisted Living Waiver.

4 (2) The department shall study and explore methods to increase the
5 reimbursement rates for assisted living facilities under the Living Choices
6 Assisted Living Waiver, including without limitation setting the
7 reimbursement rate for assisted living facilities under the Living Choices
8 Assisted Living Waiver as a percentage of the reimbursement rate for nursing
9 home facilities.

10 (b) The department shall provide an accounting of funds allocated to
11 qualifying entities under home and community-based services to the
12 Legislative Council.

13 (c)(1) The Secretary of the Department of Human Services shall
14 provide, in person, a monthly update to the Legislative Council on the status
15 of the actions listed in subsections (a) and (b) of this section until the
16 conclusion or resolution of these actions.

17 (2) If the General Assembly is in session, the secretary shall
18 provide the updates described in subdivision (c)(1) of this section to the
19 Joint Budget Committee.

20
21 *SECTION 13. SPECIAL LANGUAGE – CODE AMENDMENT. Arkansas Code Title*
22 *20, Chapter 77, Subchapter 1, is amended to add an additional section to read*
23 *as follows:*

24 *20-77-153. Redetermination and transition of coverage for postpartum*
25 *mothers.*

26 *(a) The Arkansas Medicaid Program shall redetermine eligibility for*
27 *postpartum mothers receiving coverage under a Medicaid eligibility category*
28 *within eight (8) weeks of giving birth and ensure the enrollment and*
29 *transition of the postpartum mother into any available Medicaid eligibility*
30 *category before the end of coverage under the existing Medicaid eligibility*
31 *category.*

32 *(b) The program shall ensure that the postpartum mother maintains*
33 *coverage in her existing Medicaid eligibility category only until the*
34 *transition of coverage is completed and verified by the Department of Human*
35 *Services.*

36 *(c) The department shall:*

1 (1) Apply for any federal waiver, Medicaid state plan amendment,
2 or other authorization necessary to implement this section; and

3 (2) Develop and implement any procedure, rule, or policy
4 necessary to implement this section.

5 (d) The department shall report quarterly to the Legislative Council
6 on the number of transitions implemented under this section and any other
7 data or statistics related to the implementation of this section.

8
9 SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
10 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

11 SEVERABILITY. If any provisions of this act or the application of this act
12 to any person or circumstance is held invalid, such invalidity shall not
13 affect other provisions or applications of the act which can be given effect
14 without the invalid provision or application, and to this end the provisions
15 of this act are declared to be severable.

16
17 SECTION 15. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
18 authorized by this act shall be limited to the appropriation for such agency
19 and funds made available by law for the support of such appropriations; and
20 the restrictions of the State Procurement Law, the General Accounting and
21 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
22 Procedures and Restrictions Act, or their successors, and other fiscal
23 control laws of this State, where applicable, and regulations promulgated by
24 the Department of Finance and Administration, as authorized by law, shall be
25 strictly complied with in disbursement of said funds.

26
27 SECTION 16. LEGISLATIVE INTENT. It is the intent of the General
28 Assembly that any funds disbursed under the authority of the appropriations
29 contained in this act shall be in compliance with the stated reasons for
30 which this act was adopted, as evidenced by the Agency Requests, Executive
31 Recommendations and Legislative Recommendations contained in the budget
32 manuals prepared by the Department of Finance and Administration, letters, or
33 summarized oral testimony in the official minutes of the Arkansas Legislative
34 Council or Joint Budget Committee which relate to its passage and adoption.

35
36 SECTION 17. EMERGENCY CLAUSE. It is found and determined by the

1 General Assembly, that the Constitution of the State of Arkansas prohibits
2 the appropriation of funds for more than a one (1) year period; that the
3 effectiveness of this Act on July 1, 2024 is essential to the operation of
4 the agency for which the appropriations in this Act are provided, and that in
5 the event of an extension of the legislative session, the delay in the
6 effective date of this Act beyond July 1, 2024 could work irreparable harm
7 upon the proper administration and provision of essential governmental
8 programs. Therefore, an emergency is hereby declared to exist and this Act
9 being necessary for the immediate preservation of the public peace, health
10 and safety shall be in full force and effect from and after July 1, 2024.

11
12 */s/Joint Budget Committee*
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36