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State/Territory Name: Arkansas

State Plan Amendment (SPA) #: 11-08

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
1301 Young Street, Room 833  
Dallas, Texas 75202



**Division of Medicaid & Children's Health, Region VI**

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January 17, 2012

Our Reference: SPA-AR-11-08

Dr. Andrew Allison  
State Medicaid Director  
Arkansas Department of Health and Human Services  
P.O. Box 1437  
Little Rock, Arkansas 72203

Dear Dr. Allison:

We have reviewed the proposed amendment to your Medicaid State Plan submitted under Transmittal Number 11-08. Effective April 1, 2012, the Arkansas Title XIX State plan was amended to revise the Medicaid maximum reimbursement rates for clinical laboratory services.

Transmittal Number 11-08 is approved with an effective date of April 1, 2012 as requested. A copy of the HCFA-179, Transmittal No. 11-08 dated December 12, 2011 is enclosed along with the approved plan pages.



If you have any questions, please contact Tamara Sampson at (214) 767-6431.

Sincerely,

A black rectangular redaction box covering the signature of Bill Brooks.

Bill Brooks  
Associate Regional Administrator  
Division of Medicaid and Children's Health

Enclosure

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER:  2011-008	2. STATE  ARKANSAS
<b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE  April 1, 2012	
5. TYPE OF PLAN MATERIAL (Check One):  <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION:  42 CFR Section 1903(i)(7) of the Social Security Act		7. FEDERAL BUDGET IMPACT: a. FFY 2012 (\$207,824) Savings b. FFY 2013 (\$412,476) Savings	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-B, Page 1cc		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  Attachment 4.19-B, Page 1cc, Approved 11-02-04, TN 04-05(A)	
10. SUBJECT OF AMENDMENT: The Arkansas Title XIX State Plan has been amended to revise the Medicaid maximum reimbursement rates for clinical laboratory services.			
11. GOVERNOR'S REVIEW (Check One): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO:  Division of Medical Services PO Box 1437, Slot S295 Little Rock, AR 72203-1437  Attention: LeAnn Edwards	
13. TYPED NAME: Andrew Allison			
14. TITLE: Director, Division of Medical Services			
15. DATE SUBMITTED: December 12, 2011			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: 12 December, 2011		18. DATE APPROVED: 17 January 2012	
PLAN APPROVED - ONE COPY			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 April, 2012		20.  L:	
21. TYPED NAME: BILL BROOKS		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:			

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -  
OTHER TYPES OF CARE

Revised: April 1, 2012

3. Laboratory, X-ray Services and Other Tests (continued)

(2) Decreases: If one component rate is at the floor, the entire decrease shall be apportioned to the other component. If one component rate is above the cap, the entire decrease shall be apportioned to that component. If both component rates are above the cap, each component shall be reduced to the cap.

(1) Clinical Laboratory Services

**Reimbursement is based on the lesser of the amount billed or the Title XIX (Medicaid) maximum charge allowed. The agency's rates were set as of April 1, 2012 and are effective for services performed on or after that date. All rates are published on the agency's website ([www.medicaid.state.ar.us](http://www.medicaid.state.ar.us)). Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of clinical lab services. Reimbursement rate maximums for Medicaid covered procedures are based on the April 1, 2012 Arkansas Medicare Clinical Lab Fee Schedule.**

(2) Portable X-ray Services

The Title XIX (Medicaid) maximum for portable X-ray services shall be as ordered by the United States District Court for the Eastern District of Arkansas in the case of Arkansas Medical Society v. Reynolds. Refer to Attachment 4.19-B, Item 3, for X-ray services reimbursement for physicians and other licensed practitioners.

At the beginning of each calendar year, the State Agency will negotiate with the affected provider group representatives to arrive at a mutually acceptable increase or decrease from the maximum rate. Market forces, such as private insurance rate, medical and general inflation figures, changes in practice costs and changes in program requirements, will be considered during the negotiation process. Any agreed upon increase or decrease will be implemented at the beginning of the following State Fiscal Year, July 1, with any appropriate State Plan changes.

Supersedes TN: 04-05(A)

STATE	Arkansas	A
DATE RECD	12-12-11	
DATE APPVD	01-17-11	
DATE EFF	1-1-12	
HCFA 179	11-08	