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State/Territory Name: **STATE******

State Plan Amendment (SPA) #: **SPA ******

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

November 17, 2021

Dawn Stehle
Deputy Director for Health and Medicaid Director
Arkansas Department of Human Services
112 West 8th Street, Slot S401
Little Rock, AR 72201-4608

RE: TN 21-0004

Dear Ms. Stehle:

We have reviewed the proposed Arkansas State Plan Amendment (SPA) to Attachment 4.19-B (TN) 21-0004, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on August 24th, 2021. This plan amendment updates the base reimbursement of Long-Acting Reversible Contraceptives (LARCs) on wholesale acquisition cost.

Based upon the information provided by the State, we have approved the amendment with an effective date of December 1, 2021. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Robert Bromwell at 410-786-5914 or Robert.bromwell@cms.hhs.gov.

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u> 2 </u> <u> 1 </u> — <u> 0 </u> <u> 0 </u> <u> 0 </u> <u> 4 </u>	2. STATE Arkansas
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	

TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE December 1, 2021
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5. TYPE OF PLAN MATERIAL (*Check One*)

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION Section 1902	7. FEDERAL BUDGET IMPACT a. FFY 2022 \$ 876,727 b. FFY 2023 \$ 1,052,073
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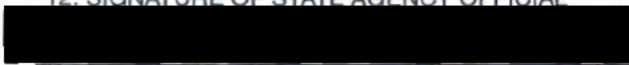
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, Page 1v	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>) Same, Approved 06/19/14, TN 14-06
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10. SUBJECT OF AMENDMENT

The Arkansas Title XIX State Plan has been amended to base reimbursement of Long-Acting Reversible Contraceptives (LARCs) on wholesale acquisition cost.

11. GOVERNOR'S REVIEW (*Check One*)


GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO Office of Rules Promulgation PO Box 1437, Slot S295 Little Rock, AR 72203-1437 Attn: Mac Golden
13. TYPED NAME Elizabeth Pitman	
14. TITLE Director, Division of Medical Services	
15. DATE SUBMITTED August 24, 2021	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED August 24, 2021	18. DATE APPROVED November 17, 2021
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL December 1, 2021	20. SIGNATURE OF REGIONAL OFFICIAL 
21. TYPED NAME Todd McMillion	22. TITLE Director, Division of Reimbursement Review

23. REMARKS

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

Revised: December 1, 2021

4.c. Family Planning Services

Reimbursement is based on the lesser of the amount billed or the maximum Title XIX (Medicaid) charge allowed. State developed fee schedule rates are the same for both public and private providers.

1. The Title XIX (Medicaid) maximum for Family Planning services is **one hundred percent (100%)** of the current physician Medicaid maximum.

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 rates, 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.

2. **Long-Acting Reversible Contraceptives (LARCs)**

Effective for claims with dates of service January 1, 2014 and after, the intrauterine device (IUD) is reimbursed based on one hundred percent (100%) of the manufacturer's list price as of April 15, 2011.

Effective for claims with dates of service October 1, 2014 and after, the **fifty-two milligrams (52) mg Levonorgestrel-Releasing Intrauterine Contraceptive System** is reimbursed based on **one hundred percent (100%)** of the manufacturer's list price as of November 18, 2013. Effective for claims with dates of service October 1, 2014 and after, the **13.5 mg Levonorgestrel-Releasing Intrauterine Contraceptive System** is reimbursed based on **one hundred percent (100%)** of the manufacturer's list price as of January 1, 2013.

Effective for claims with dates of service December 1, 2021, and after, the reimbursement of Food and Drug Administration approved Long-Acting Reversible Contraceptives (LARCs) to include the IUD and contraceptive implants, will be based on Wholesale Acquisition Cost as of December 1, 2021. Reimbursement will also apply to replacement of LARCs per manufacturer recommendations, or sooner if medically necessary. Reimbursement information can be found at the following [Physician Fee Schedule](#).