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State/Territory Name: Arkansas

State Plan Amendment (SPA) AR: 22-0014

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

July 19, 2022

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 22-0014

Dear Ms. Stehle:

We have reviewed the proposed Arkansas State Plan Amendment (SPA) to Attachment 4.19-B, AR-22-0014, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on April 15, 2022. This plan amendment increases occupational therapy, physical therapy and speech-language pathology services by sixteen percent on April 9, 2022 and fifteen percent on April 1, 2023.

Based upon the information provided by the State, we have approved the amendment with an effective date of April 9, 2022. 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,



for

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

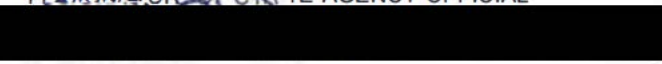
TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER <u>2 2 - 0 0 1 4</u>	2. STATE <u>A R</u>
	3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE April 9, 2022	
5. FEDERAL STATUTE/REGULATION CITATION Section 1905(a)(4)(8) of the SSA	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a FFY <u>2022</u> \$ <u>9,662,307</u> b FFY <u>2023</u> \$ <u>37,441,441</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Att. 4.19-B, Page 1q	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (if Applicable) Att. 4.19 B, Page 1q; Supersedes TN 20-0021, App. 11/09/2020	

9. SUBJECT OF AMENDMENT
New occupational therapy, physical therapy, and speech language pathology services rate review methodology.

10. GOVERNOR'S REVIEW (Check One)

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


OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Office of Rules Promulgation PO Box 1437, Slot S295 Little Rock, AR 72203-1437 Attn: Mac Golden
12. TYPED NAME Elizabeth Pitman	
13. TITLE Director, Division of Medical Services	
14. DATE SUBMITTED 4/15/22	

FOR CMS USE ONLY

16. DATE RECEIVED April 15, 2022	17. DATE APPROVED July 19, 2022
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL April 9, 2022	19. SIGNATURE OF APPROVING OFFICIAL  for
20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion	21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review

22. REMARKS

FORM CMS 179 (09/24) **Instructions on Back**

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

Revised: April 9, 2022

4.b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age and Treatment of Conditions Found (Continued)

(19) Physical Therapy, Occupational Therapy, and Speech-Language Therapy Services

Effective for dates of service on or after October 1, 1999, the Arkansas Medicaid maximum rates for physical therapy services, occupational therapy services and speech-language therapy services are based on court-ordered rates issued by the United States District Court, Eastern District of Arkansas, Western Division and agreed upon by the Division of Medical Services and representatives of the Arkansas Physical Therapy Association, the Arkansas Occupational Therapy Association and the Arkansas Speech-Language-Hearing Association.

Effective April 9, 2022, the agency's fee schedule rates for occupational therapy, physical therapy, and speech-language pathology treatment services were set based on an average of 2019 Medicare utilization data for the same services. The fee schedule rates for occupational therapy, physical therapy, and speech-language pathology evaluations were determined to be in line with Medicare and were not changed. The occupational therapy, physical therapy, and speech-language pathology treatment rate adjustments will be implemented over two (2) years. An initial rate increase of sixteen percent (16%) will be implemented on April 9, 2022, and the second increase of fifteen percent (15%) will be implemented on April 1, 2023.

The applicable fee schedule of rates at any given time are published on the agency's website ([Fee Schedules - Arkansas Department of Human Services](#)). A uniform rate for these services is paid to all governmental and non-governmental providers unless otherwise indicated in the state plan. The State assures that physical therapists, occupational therapists and speech-language therapists will meet the requirements contained in 42 CFR 440.110.

Therapy Assistants - Effective for dates of service on or after October 1, 1999, the Arkansas Medicaid maximum for the physical therapy assistant, occupational therapy assistant and the speech-language therapy assistant is based on 80% of the amount reimbursed to the licensed therapist.

Fee schedule service reimbursement is based on the lesser of the amount billed or the Arkansas Title XIX (Medicaid) maximum charge allowed.

1. Physical Therapy

Listed below are covered physical therapy services:

Description

Evaluation for physical therapy

Individual physical therapy Group

physical therapy

Individual physical therapy by physical therapy assistant Group

physical therapy by physical therapy assistant

At the beginning of each calendar year, Medicaid officials and the Arkansas Physical Therapy Association or its successor will arrive at mutually agreeable increase or decrease in reimbursement rates based on the market forces as they impact on access. 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.