

EXHIBIT I

DEPARTMENT OF HUMAN SERVICES, MEDICAL SERVICES

SUBJECT: Visual 2-16

DESCRIPTION: This proposed rule is to prior authorize an initial 16 treatments in a 12-month period with no more than one treatment per seven calendar days of orthoptic and/or pleoptic training performed in a licensed optometrist or ophthalmologist office for Medicaid eligible children ages 20 and under and for CHIP eligible children ages 18 and under; to prior authorize one sensorimotor examination in 12-month period performed in a licensed optometrist or ophthalmologist office for Medicaid eligible children ages 20 and under and for CHIP eligible children ages 18 and under who have received a covered diagnosis based on specific observed and documented symptoms; and to prior authorize one developmental testing in a 12-month period performed in a licensed optometrist or ophthalmologist office for Medicaid eligible children ages 20 and under and for CHIP eligible children ages 18 and under who have received a covered diagnosis based on specific observed and documented systems. The proposed rule is also to update with information regarding the risks of non-payment for services performed before acquiring prior authorization and pertaining to contact lens services procedure code S0592.

PUBLIC COMMENT: No public hearing was held. The public comment period expired on May 11, 2017. The department received no comments.

The proposed effective date is July 1, 2017.

FINANCIAL IMPACT: There will be a savings of \$973,273 for each of the current fiscal year and the next fiscal year (\$686,936 in federal funds and \$286,337 in general revenue). Savings/cost avoidance was generated by setting limits on procedures that previously had no limit.

LEGAL AUTHORIZATION: The Department of Human Services is authorized to "make rules and regulations and take actions as are necessary or desirable to carry out the provisions of this chapter [Public Assistance] and that are not inconsistent therewith." Arkansas Code Annotated § 20-76-201 (12). Arkansas Code § 20-77-107 specifically authorizes the department to "establish and maintain an indigent medical care program."

**QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS
WITH THE ARKANSAS LEGISLATIVE COUNCIL**

EXHIBIT I

DEPARTMENT/AGENCY Department of Human Services
DIVISION Division of Medical Services
DIVISION DIRECTOR Dawn Stehle
CONTACT PERSON Douglas Nelson
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NAME OF PRESENTER AT COMMITTEE MEETING Tami Harlan
PRESENTER E-MAIL tami.harlan@dhs.arkansas.gov

INSTRUCTIONS

- A. Please make copies of this form for future use.
- B. Please answer each question completely using layman terms. You may use additional sheets, if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

**Donna K. Davis
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
One Capitol Mall, 5th Floor
Little Rock, AR 72201**

1. What is the short title of this rule? VISUAL-2-16

To prior authorize an initial sixteen (16) treatments in a twelve (12) month period with no more than one (1) treatment per seven (7) calendar days of orthoptic and/or pleoptic training performed in a licensed optometrist or ophthalmologist office for Medicaid eligible children ages twenty (20) & under and for CHIP eligible children ages eighteen (18) and under; to prior authorize one (1) sensorimotor examination in a twelve (12) month period performed in a licensed optometrist or ophthalmologist office for Medicaid eligible children ages twenty (20) and under and for CHIP eligible children ages eighteen (18) and under who have received a covered diagnosis based on specific observed and documented symptoms; and to prior authorize one (1) developmental testing in a twelve (12) month period performed in a licensed optometrist or ophthalmologist office for Medicaid eligible children ages twenty (20) and under and for CHIP eligible children ages eighteen (18) and under who have received a covered diagnosis based on specific observed & documented symptoms. To update with information regarding the risks of non-payment for services performed before acquiring

2. What is the subject of the proposed rule?

3. Is this rule required to comply with a federal statute, rule, or regulation? Yes No

If yes, please provide the federal rule, regulation, and/or statute citation. _____

4. Was this rule filed under the emergency provisions of the Administrative Procedure Act?

Yes No

If yes, what is the effective date of the emergency rule? _____

When does the emergency rule expire? _____

Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act?

Yes No

5. Is this a new rule? Yes No
If yes, please provide a brief summary explaining the regulation. _____

Does this repeal an existing rule? Yes No

If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does. _____

Is this an amendment to an existing rule? Yes No

If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. **Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."**

6. Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation. Arkansas Statute 20-76-201

7. What is the purpose of this proposed rule? Why is it necessary? To prior authorize an initial sixteen (16) treatments in a twelve (12) month period with no more than one (1) treatment per seven (7) calendar days of orthoptic and/or pleoptic training performed in a licensed optometrist or ophthalmologist office for Medicaid eligible children ages twenty (20) and under and for CHIP eligible children ages eighteen (18) and under; to prior authorize one (1) sensorimotor examination in a twelve (12) month period performed in a licensed optometrist or ophthalmologist office for Medicaid eligible children ages twenty (20) and under and for CHIP eligible children ages eighteen (18) and under who have received a covered diagnosis based on specific observed and documented symptoms; and to prior authorize one (1) developmental testing in a twelve (12) month period performed in a licensed optometrist or ophthalmologist office for Medicaid eligible children ages twenty (20) and under and for CHIP eligible children ages eighteen (18) and under who have received a covered diagnosis based on specific observed & documented symptoms. To update with information regarding the risks of non-payment for services performed before acquiring prior authorization and pertaining to contact lens services procedure code S0592.

8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b).
<https://www.medicaid.state.ar.us/general/comment/comment.aspx>

9. Will a public hearing be held on this proposed rule? Yes No
If yes, please complete the following:

Date: _____

Time: _____

Place: _____

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)

05-11-2017

11. What is the proposed effective date of this proposed rule? (Must provide a date.)

07-01-2017

12. Please provide a copy of the notice required under Ark. Code Ann. § 25-15-204(a), and proof of the publication of said notice.

13. Please provide proof of filing the rule with the Secretary of State and the Arkansas State Library as required pursuant to Ark. Code Ann. § 25-15-204(e). See Attached

14. Please give the names of persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known. _____

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Department of Human Services

DIVISION Division of Medical Services

PERSON COMPLETING THIS STATEMENT Brian Jones

TELEPHONE 501-537-2064 **FAX** 501-682-3889 **EMAIL:** brian.jones@dhs.arkansas.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE Visual 2-16

1. Does this proposed, amended, or repealed rule have a financial impact? Yes No
2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule? Yes No
3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes No

If an agency is proposing a more costly rule, please state the following:

(a) How the additional benefits of the more costly rule justify its additional cost;

(b) The reason for adoption of the more costly rule;

(c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and;

(d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:

(a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

(b) What is the additional cost of the state rule?

Current Fiscal Year

Next Fiscal Year

General Revenue	<u>(286,337)</u>
Federal Funds	<u>(686,936)</u>
Cash Funds	_____
Special Revenue	_____
Other (Identify)	_____
 Total	 <u>(973,273)</u>

General Revenue	<u>(286,337)</u>
Federal Funds	<u>(686,936)</u>
Cash Funds	_____
Special Revenue	_____
Other (Identify)	_____
 Total	 <u>(973,273)</u>

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

Current Fiscal Year

Next Fiscal Year

\$ _____

\$ _____

6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

Next Fiscal Year

\$ (286,337)

\$ (286,337)

Saving / cost avoidance was generated by setting limits on procedures that previously had no limit.

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes No

If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;

- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

Summary
for
VISUAL-2-16

The proposed rule is to prior authorize an initial sixteen (16) treatments in a twelve (12) month period with no more than one (1) treatment per seven (7) calendar days of orthoptic and/or pleoptic training performed in a licensed optometrist or ophthalmologist office for Medicaid eligible children ages twenty (20) and under and for CHIP eligible children ages eighteen (18) and under; to prior authorize one (1) sensorimotor examination in a twelve (12) month period performed in a licensed optometrist or ophthalmologist office for Medicaid eligible children ages twenty (20) and under and for CHIP eligible children ages eighteen (18) and under who have received a covered diagnosis based on specific observed and documented symptoms; and to prior authorize one (1) developmental testing in a twelve (12) month period performed in a licensed optometrist or ophthalmologist office for Medicaid eligible children ages twenty (20) and under and for CHIP eligible children ages eighteen (18) and under who have received a covered diagnosis based on specific observed and documented symptoms. The proposed rule is also to update with information regarding the risks of non-payment for services performed before acquiring prior authorization and pertaining to contact lens services procedure code S0592.