

EXHIBIT F

DEPARTMENT OF HUMAN SERVICES, COUNTY OPERATIONS

SUBJECT: Medical Services Policy Manual Section A-210, B-500 and D 372

DESCRIPTION: Changes to the Arkansas Works Program regulations are:

1. A-210 – Retroactive coverage for the Adult Expansion Group has been eliminated.
2. B-500 – Emergency Medicaid eligible cannot be approved in the Adult Expansion group for retroactive coverage.
3. D-372 – Retroactive coverage for adult expansion group recipients who are incarcerated has been removed.

PUBLIC COMMENT: No public hearing was held. The public comment period expired on July 13, 2017. The department received no comments.

The proposed effective date is September 1, 2017.

FINANCIAL IMPACT: There will be a savings to implement this federal rule of \$266,549 in general revenue and \$4,493,807 in federal funds for the current fiscal year and a savings of \$371,265 in general revenue and \$5,340,503 in federal funds for the next fiscal year.

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."

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

DEPARTMENT/AGENCY Arkansas Department of Human Services

DIVISION Division of County Operations (DCO) and Division of Medical Services (DMS)

DIVISION DIRECTOR Mary Franklin (DCO Medical Services Policy) and Dawn Stehle (DMS Medicaid & CHIP SPAs & MAGI Eligibility PDF Pages SPAs)

CONTACT PERSON Larry Crutchfield (DCO Medical Services Policy) and Brad Nye (DMS Medicaid & CHIP SPAs & MAGI Eligibility PDF Pages SPAs)

ADDRESS PO Box 1437, Slot S332, Little Rock AR 72203 (Larry Crutchfield, DCO) and PO Box 1437, Slot S295, Little Rock AR 72203 (Brad Nye, DMS)

PHONE NO. 501-682-8257 (Larry Crutchfield, DCO) and 501-320-6306 (Brad Nye, DMS) **FAX NO.** 501-682-1597 (Larry Crutchfield, DCO) and 501-404-4619 (Brad Nye, DMS) **E-MAIL** larry.crutchfield@dhs.arkansas.gov and brad.nye@dhs.arkansas.gov

NAME OF PRESENTER AT COMMITTEE MEETING Dave Mills (Division of County Operations) and Tami Harlan (Division of Medical Services)

PRESENTER E-MAIL dave.mills@dhs.arkansas.gov (Division of County Operations) and tami.harlan@dhs.arkansas.gov (Division of Medical Services)

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

Medical Services Policy Manual Section Appendix C; D-200 through 230; B-250; E-300 and E-445 and Medicaid SPA: AR 17-003; CHIP SPA: AR 17-004; Medicaid PDF page S89 MAGI Eligibility SPA: AR-17-0007; CHIP PDF page CS18 MAGI Eligibility SPA AR-17-0006 for Medicaid and CHIP Coverage for Lawfully Residing Alien Children Under Age 21 and Pregnant Women

1. What is the short title of this rule?

The proposed rule changes revise Medical Services policy to provide Medicaid coverage to certain children and pregnant women who are lawfully residing in the United States. In addition, policy is being revised to comply with federal regulations and law regarding verification of citizenship and

2. What is the subject of the proposed rule?

immigration status; **and** The State is electing the option to provide Medicaid and CHIP coverage to otherwise eligible children under age 21 and pregnant women aliens, lawfully residing in the United States, as provided in section 1903(v)(4) of the Social Security Act and under section 214 of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA).

3. Is this rule required to comply with a federal statute, rule, or regulation?

Yes No
CHIPRA, PL 111-3 section 214
and 8 U.S.C. 1612(b)(2)(B),
435.956(c)(2) and POMS RM
10210.810

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 Code 20-76-201

7. What is the purpose of this proposed rule? Why is it necessary? _____
The proposed rule changes revise Medical Services policy to comply with Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) and 8 U.S.C 1612(b)(2)(B) of the Social Security Act; 435.956 (c)(2) of Federal register and POMS RM 10210.810; **and** The State is electing the option to provide Medicaid and CHIP coverage to otherwise eligible children under age 21 and pregnant women aliens, lawfully residing in the United States, as provided in section 1903(v)(4) of the Social Security Act and under section 214 of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA). If the State does not chose this option, Medicaid and CHIP coverage cannot be provided to

otherwise eligible children under age 21 and pregnant women aliens, lawfully residing in the United States and the State of Arkansas,

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).

<http://humanservices.arkansas.gov/Pages/LegalNotices.aspx> (DCO website) **and**
<https://www.medicaid.state.ar.us/general/comment/comment.aspx> (DMS Medicaid website)

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.)

08/27/2017

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

01/01/2018

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. See Attached

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 Arkansas Department of Human Services

DIVISION Division of Medical Services

PERSON COMPLETING THIS

STATEMENT

David McMahan

TELEPHONE 501-369-6421

FAX _____

EMAIL: David.McMahon1@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**

Medical Services Policy Manual Section Appendix C; D-200
through 230; B-250; E-300 and E-445

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

Yes

No

concerning the need for, consequences of, and alternatives to the rule?

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

Next Fiscal Year

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

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

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

Current Fiscal Year SFY 2018 (Jan – June)

Next Fiscal Year SFY 2019

General Revenue 0 _____
 Federal Funds \$714,189 _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____
 Total \$714,189 _____

General Revenue 0 _____
 Federal Funds \$4,474,904 _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____
 Total \$4,474,904 _____

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

\$ \$714,189

Next Fiscal Year

\$ \$4,474,904

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;

The proposed rule changes revise Medical Services policy to provide Medicaid coverage to certain children and pregnant women who are lawfully residing in the United States. In addition, policy is being revised to comply with federal regulations and law regarding verification of citizenship and immigration status.

(2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;

The proposed rule changes revise Medical Services policy to comply with Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) and 8 U.S.C 1612(b)(2)(B) of the Social Security Act; 435.956 (c)(2) of Federal register and POMS RM 10210.810.

(3) a description of the factual evidence that:

(a) justifies the agency's need for the proposed rule; and

The proposed rule changes revise Medical Services policy to provide Medicaid coverage to certain children and pregnant women who are lawfully residing in the United States. In addition, policy is being revised to comply with federal regulations and law regarding verification of citizenship and immigration status.

(b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;

The proposed rule changes revise Medical Services policy to provide Medicaid coverage to certain children and pregnant women who are lawfully residing in the United States. In addition, policy is being revised to comply with federal regulations and law regarding verification of citizenship and immigration status.

(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;

No less costly alternatives exist.

(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;

There were no alternatives proposed.

(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

N/A

(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.

The Agency in compliance with ACA 25-15-204 will review the rule every 10 years.

Summary
For
Medical Services Policy Changes and Medicaid and CHIP State Plans and MAGI Eligibility PDF
Pages Amendments
For
Lawfully Residing Alien Children Under Age 21 and Pregnant Women Option

Medical Services Policy changes and Medicaid and CHIP State Plans and MAGI Eligibility PDF Pages amendments for the State of Arkansas' election of the option, effective 01/01/2018, to provide Medicaid and CHIP coverage to otherwise eligible children under age 21 and pregnant women aliens, lawfully residing in the United States, as provided in section 1903(v)(4) of the Social Security Act and under section 214 of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA).

