

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
90th General Assembly
Regular Session, 2015

As Engrossed: S3/24/15

A Bill

SENATE BILL 1010

By: Senator Files

For An Act To Be Entitled

AN ACT TO MAKE A RATE ADJUSTMENT FOR PERSONAL CARE SERVICES PROVIDED THROUGH THE ARKANSAS MEDICAID PROGRAM; AND FOR OTHER PURPOSES.

Subtitle

TO MAKE A RATE ADJUSTMENT FOR PERSONAL CARE SERVICES PROVIDED THROUGH THE ARKANSAS MEDICAID PROGRAM.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

*SECTION 1. Arkansas Code § 20-10-1706 is amended to read as follows:
20-10-1706. Reimbursement.*

(a) For Medicaid-eligible clients, the Department of Human Services shall reimburse assisted living facilities on a per diem basis in accordance with approval for per diem reimbursement from the Centers for Medicare & and Medicaid Services.

(b)(1) Effective July 1, 2015, the reimbursement rate for each tier in the Medicaid reimbursement to Level II assisted living facilities shall be adjusted by four dollars (\$4.00) per day.

(2) Adjustments in subsequent years shall continue to be granted consistent with the methodology approved by the Centers for Medicare and Medicaid Services

SECTION 2. Arkansas Code § 20-47-301(a), concerning legislative findings and intent regarding residential care facilities, is amended to add an additional subdivision to read as follows:



(3) The General Assembly further recognizes that:

(A) The only state funding provided to residential care facilities and Level I assisted living facilities is through Medicaid Personal Care;

(B) Medicaid Personal Care payments have not increased since 2009 and have failed to keep up with the rising cost of healthcare services incurred by residential care facilities and Level I assisted living facilities;

(C) The current maximum reimbursement per day of thirty-five dollars and twenty-four cents (\$35.24) for Medicaid Personal Care services in residential care facilities and Level I assisted living facilities is inadequate;

(D) Medicaid Personal Care payments should be adjusted on a regular basis in order to keep pace with inflation and other costs;

(E) Implementation of the Arkansas Minimum Wage Act and the federal Patient Protection and Affordable Care Act, Pub. L. No. 111-148, has increased the costs of providing Medicaid Personal Care over and above the regular increases in costs and neither of the acts have been reflected in the rates paid by Medicaid;

(F) Inadequate reimbursement for residential care facilities and Level I assisted living facilities provides an incentive for providers to convert facilities to a higher level of care, which is contrary to the best interests of the state as facilities with a higher level of care costs the Medicaid program even more; and

(G) Due to the nature of the healthcare services provided by residential care facilities and Level I assisted living facilities and the twenty-four-hour residential model, residential care facilities and Level I assisted living facilities incur greater costs than in-home care providers of Medicaid Personal Care.

SECTION 3. Arkansas Code § 20-47-303, concerning multihour daily service rate reimbursement of residential care facilities, is amended to add an additional subsection to read as follows:

(e)(1) Effective July 1, 2015, Medicaid Personal Care reimbursement to residential care facilities and Level I assisted living facilities shall no longer be based on the rate paid for in-home Medicaid Personal Care.

(2)(A) Effective July 1, 2015, the multihour daily service rate for Medicaid Personal Care provided by the residential care facilities and Level I assisted living facilities shall be forty-six dollars and five cents (\$46.05) for residents in the highest need tier.

(B) Rates for other tiers shall be adjusted proportionately.

(3)(A) Effective July 1, 2016, and each July 1 thereafter, the multihour daily service rate for residential care facilities and Level I assisted living facilities shall be adjusted by three percent (3%) over the previous year.

(B) This adjustment shall apply to each reimbursement tier.

/s/Files