

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

State of Arkansas
95th General Assembly
Regular Session, 2025

A Bill

SENATE BILL 306

By: Senator C. Penzo

By: Representative L. Johnson

For An Act To Be Entitled

AN ACT TO REQUIRE THE DEPARTMENT OF HUMAN SERVICES TO APPLY FOR A HOME- AND COMMUNITY-BASED SERVICES WAIVER FOR THE AGING AND ELDERLY POPULATION IN THIS STATE; AND FOR OTHER PURPOSES.

Subtitle

TO REQUIRE THE DEPARTMENT OF HUMAN SERVICES TO APPLY FOR A HOME- AND COMMUNITY-BASED SERVICES WAIVER FOR THE AGING AND ELDERLY POPULATION IN THIS STATE.

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

SECTION 1. Arkansas Code Title 20, Chapter 77, Subchapter 1, is amended to add an additional section to read as follows:

20-77-154. Home- and community-based services waiver for aging and elderly populations.

(a) The General Assembly finds that:

(1)(A) The waivers within the state Medicaid programs for home- and community-based services were first established by Section 2176 of the Omnibus Budget Reconciliation Act of 1981, Pub. L. No. 97-35, and were incorporated into the United States Code at section 1915(c) of the Social Security Act, 42 U.S.C. § 1396 et seq.

(B) The waivers for home- and community-based services allow states to provide state Medicaid services to targeted populations to avoid institutionalization by receiving comparable services in their homes or



communities;

(2)(A) The Arkansas Medicaid Program currently administers two (2) home- and community-based services under the authority of section 1915(c) of the Social Security Act, 42 U.S.C. § 1396 et seq., for Medicaid beneficiaries who are elderly or aging.

(B) The Arkansas Medicaid Program has not designated a comprehensive and integrated strategy to support the quickly increasing numbers of Arkansans needing services due to aging or elderly needs;

(3)(A) Skilled nursing facilities have always had a place in a comprehensive approach to supporting the aging and elderly population.

(B) However, home- and community-based services are not adequately meeting the needs of Arkansans to allow the population to age in their homes or communities before the need for a skilled nursing facility;

(4) Cost neutrality is a requirement under section 1915(c) of the Social Security Act, 42 U.S.C. § 1396 et seq., meaning that the average per participant cost for home- and community-based services must be no more costly than the average per person cost at a skilled nursing facility;

(5) However, a wide gap currently resides in both cost and service array resulting in no true alternative for a Medicaid beneficiary to receive care in his or her home or community before a skilled nursing facility is required;

(6) For the fiscal year 2024, the average participant cost for a skilled nursing facility was approximately one hundred two thousand four hundred eighty-two dollars (\$102,482); and

(7) The Arkansas Medicaid Program is not operating at cost neutrality for Medicaid beneficiaries who are aging or elderly without appropriate waivers under section 1915(c) of the Social Security Act, 42 U.S.C. § 1396 et seq.

(b) The Department of Human Services shall apply for a waiver under the authority of section 1915(c) of the Social Security Act, 42 U.S.C. § 1396 et seq., for aging and elderly populations to allow Medicaid beneficiaries to have an alternative to skilled nursing facility care.

(c) The department shall ensure that the average per capita expenditures estimated in a fiscal year for home- and community-based services waiver recipients does not exceed the average per capita expenditure that would have been made to provide institutional services for recipients in

the absence of the wavier.