



Arkansas Department of Human Services Division of Medical Services

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MEMORANDUM

TO: (X) Nursing Facilities; (X) ICFs/MR 16 Bed & Over; (X) HDCs; (X) ICFs/MR Under 16 Beds; () RCFs; (X) Interested Parties; () Hospitals & Discharge Planners; (X) DHS County Offices

FROM: Roy Jeffus, Director, Division of Medical Services

DATE: June 17, 2005

SUBJ: Under 16 Bed ICF/MR Rate Effective 7/1/05

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BUREAU OF LEGISLATIVE RESEARCH

As a part of the Administrative Procedures Act process, attached is the proposed Medicaid policy revision. This rule has a proposed effective date of August 15, 2005 for dates of service beginning July 1, 2005. This rule is contingent upon CMS approval.

The public notice of this rule change is scheduled to be published in the June 17, 2005, Arkansas Democrat/Gazette. If you have any comments, please submit those comments in writing, to the following address, no later than July 18, 2005.

Division of Medical Services
Provider Reimbursement Unit
P.O. Box 1437, Slot S416
Little Rock, AR 72203-1437

The Division of Medical Services anticipates filing with the Arkansas Legislative Council on June 17, 2005, and the Secretary of State, the Arkansas State Library and the Bureau of Legislative Research on August 5, 2005.

If you have any questions concerning the attached material, please contact Randy Helms at (501) 682-1857.

If you need this material in an alternative format such as large print, please contact our Americans with Disabilities Act Coordinator at (501) 682-8307 (voice), 682-6789 (TDD), or 1-877-708-8191.

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DEPARTMENT OF HUMAN SERVICES
SECRETARY OF STATE
STATE OF ARKANSAS

B. Intermediate Care Facilities for the Mentally Retarded – Continued

3. Under 16 Beds:

a. Small ICF/MR facilities certified as having 15 beds or fewer will be reimbursed on a prospective uniform class rate system. An inflationary adjustment, determined by the Division to be reasonable and adequate, will be applied to the existing rates and will be implemented by State Plan amendment as warranted by analysis of cost report data. Cost reports will be submitted annually for the preceding calendar year (January 1 – December 31) and will be reviewed prior to establishing new rates. The Division has established the per diem rate of \$166.83 for dates of service beginning July 1, 2005. This 3.1% increase in per diem rate is based on the CMS Market Basket forecast for nursing home index as an inflation factor.

b. Overpayment/Underpayments

Overpayment/underpayments resulting from Section 1-12 administrative errors shall be handled through the vendor payment by recouping overpayments and reimbursing underpayments.

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