



Arkansas Department of Health and Human Services

Division of Medical Services



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TO: Arkansas Medicaid Health Care Providers – ARKids First- B

DATE: July 1, 2006

SUBJECT: Provider Manual Update Transmittal #33

REMOVE

Section	Date
221.100	7-1-04
224.000	10-1-03
250.000	10-1-03

INSERT

Section	Date
221.100	7-1-06
224.000	7-1-06
250.000	7-1-06

Explanation of Updates

Section 221.100 is included to inform providers that ARKids First-B participants have an annual cumulative cost-sharing maximum.

Section 224.000 is included to inform providers that effective 7-1-06 the ARKids First-B family's annual cumulative cost-sharing maximum is limited to 5% per year of the family's gross income. The cost-sharing maximum is recalculated and the cumulative cost-sharing counter is reset each July 1.

Section 250.000 is included to provide clarity about certain reimbursement situations unique to the 5% cost-sharing maximum.

Paper versions of this update transmittal have updated pages attached to file in your provider manual. See Section I for instructions on updating the paper version of the manual. For electronic versions, these changes have already been incorporated.

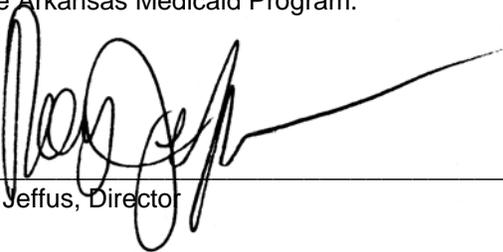
If you need this material in an alternative format, such as large print, please contact our Americans with Disabilities Act Coordinator at (501) 682-6789 (TDD only).

If you have questions regarding this transmittal, please contact the EDS Provider Assistance Center at 1-800-457-4454 (Toll-Free) within Arkansas or locally and Out-of-State at (501) 376-2211.

Arkansas Medicaid provider manuals (including update transmittals), official notices and remittance advice (RA) messages are available for downloading from the Arkansas Medicaid website:

www.medicaid.state.ar.us.

Thank you for your participation in the Arkansas Medicaid Program.



Roy Jeffus, Director

221.100

ARKids First-B Medical Care Benefits

7-1-06

Program Services	Coverage Limits on Benefit	Prior Authorization/ PCP Referral	Co-payment/ Coinsurance
Ambulance (Emergency Only)	Medical Necessity	None	\$10 per trip
Ambulatory Surgical Center	Medical Necessity	PCP Referral	\$10 per visit
Certified Nurse-Midwife	Medical Necessity	PCP Referral	\$10 per visit
Chiropractor	Medical Necessity	PCP Referral	\$10 per visit
Dental Care (No Orthodontia)	Routine dental care	None	\$10 per visit
Durable Medical Equipment	Medical Necessity \$500 per state fiscal year (July 1 through June 30) minus the coinsurance	PCP Referral and Prescription	20% of Medicaid allowed amount per DME item
Emergency Dept. Services			
Emergency	Medical Necessity	None	\$10 per visit
Non-Emergency	Medical Necessity	PCP Referral	\$10 per visit
Assessment	Medical Necessity	None	\$10 per visit
Family Planning	Medical Necessity	None	None
Federally Qualified Health Center (FQHC)	Medical Necessity	PCP Referral	\$10 per visit
Home Health	Medical Necessity (10 visits per state fiscal year (July 1 through June 30))	PCP Referral	\$10 per visit
Hospital, Inpatient	Medical Necessity	PA on stays over 4 days if age 1 or over	20% of first inpatient day
Hospital, Outpatient	Medical Necessity	PCP referral	\$10 per visit
Immunizations	All per protocol	PCP or Administered by ADH	None
Laboratory & X-Ray	Medical Necessity	PCP Referral	\$10 per visit
Medical Supplies	Medical Necessity Limited to \$125/mo unless benefit extension is approved	PCP Prescriptions	None
Mental and Behavioral Health, Outpatient	Medical Necessity	PCP Referral PA on treatment services	\$10 per visit
Nurse Practitioner	Medical Necessity	PCP Referral	\$10 per visit

Program Services	Coverage Limits on Benefit	Prior Authorization/ PCP Referral	Co-payment/ Coinsurance
Physician	Medical Necessity	PCP referral to specialist and inpatient professional services	\$10 per visit
Podiatry	Medical Necessity	PCP Referral	\$10 per visit
Prenatal Care	Medical Necessity	None	None
Prescription Drugs	Medical Necessity	Prescription	\$5 per prescription (Must use generic and rebate manufacturer, if available)
Preventive Health Screenings	All per protocol	PCP Administration or PCP Referral	None
Rural Health Clinic	Medical Necessity	PCP Referral	\$10 per visit
Speech Therapy	Medical Necessity	PCP Referral	\$10 per visit
Vision Care			
Eye Exam	One (1) routine eye exam (refraction) every 12 months	None	\$10 per visit
Eyeglasses	One (1) pair every 12 months	None	None

Refer to your Arkansas Medicaid provider manual for prior authorization and PCP referral procedures.

ARKids First-B participant cost-sharing is capped at 5% of the family's gross annual income.

224.000 Cost Sharing

7-1-06

Co-payment or coinsurance will apply to all ARKids First-B Waiver services, with the exception of immunizations, preventive health screenings, family planning, prenatal care, eyeglasses and medical supplies. Co-payments or coinsurance range from \$5.00 per prescription to 20% of the first day's hospital Medicaid per diem.

Effective July 1, 2006, ARKids First-B families will have an annual cumulative cost-sharing maximum of 5% of their gross family income; the annual period is July 1 through June 30 (state fiscal year (SFY)). The ARKids First-B participant's annual cumulative cost-sharing maximum will be recalculated and the cumulative cost sharing counter will be reset to zero on July 1 each year.

The cost sharing provision will require providers to check and be alert to certain details about the ARKids First-B participants cost sharing obligation in order for this process to work smoothly. The following is a list of guidelines for providers:

1. On the day service is delivered to the ARKids First-B participant, the provider should access the eligibility verification system to determine if the ARKids First-B participant has current ARKids First-B coverage and whether or not the ARKids First-B participant has met their cumulative cost sharing maximum.

2. The provider should check the remittance advice received with the claim submitted on the ARKids First-B participant which will contain an explanation stating that the ARKids First-B participant has met their cost sharing cap.
3. It is strongly urged that providers submit their claims as quickly as possible to EDS for payment so that the amount of the ARKids First-B participant's co-payment can be posted to their cost share file and the amount is added to the accrual.

250.000 REIMBURSEMENT

7/1/06

Reimbursement for services provided to ARKids First-B participants is based on the current Medicaid reimbursement methodology of the corresponding Medicaid program or service.

ARKids First-B family's annual 5% cost-sharing maximum**When Providers Are Required To Refund a Co-pay or Coinsurance**

Providers will be required to refund to ARKids First-B families the amount that the provider collected from the family for cost-sharing if, at the time the claim is submitted and processed, the system determines that the family's cumulative cost-sharing maximum has been met. This may happen even though the family was required to provide cost-sharing on the date of service, when the provider waits a period of time to submit the claim to Medicaid.

Example: The family has not met its cost-sharing maximum on the date of service so the provider collects the required cost-share amount. The provider submits the claim two months later. In the interim, the family's annual cumulative cost-sharing maximum has been met and the family will not be required to cost-share again until the next SFY. The system cannot track cost-sharing until the claim is processed. In this case, even though the family was required to cost-share on the date of service, that amount is not in the system until the claim is processed. On the date the claim processed, the family had met its obligation for cost-sharing (i.e. other claims were processed), so the provider will need to refund to the family the amount that the family paid. There will be a statement on the remittance advice that states that the cost-sharing maximum has been met and that Medicaid is paying the full Medicaid allowed rate for the service.