



**Division of Medical Services
Provider Reimbursement**

P.O. Box 1437, Slot S-401 · Little Rock, AR 72203-1437
501-682-8292 · Fax: 501-682-1197 · TDD: 501-682-6789



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 13, 2008

SUBJ: Under 16 Bed ICF/MR Rate Effective 7/1/08

As a part of the Administrative Procedures Act process, attached is the **proposed** Medicaid policy revision. This proposed rule is effective for dates of service beginning July 1, 2008. This rule is contingent upon CMS approval.

The public notice of this rule change is scheduled to be published in the June 13, 2008 through June 15, 2008, Arkansas Democrat/Gazette. If you have any comments, please submit those comments in writing, to the following address, no later than July 14, 2008.

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 13, 2008, and the Secretary of State, the Arkansas State Library and the Bureau of Legislative Research on August 8, 2008.

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.

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 \$178.78 for dates of service beginning July 1, 2008. This 3.94% increase in per diem rate is based on the most currently available CPI-U inflation data applied as an inflation adjustment to the previous rate.

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.

FILED
A.R. REGISTER, JR.
08 AUG -8 PM 3:11
CHARLES HANCOCK
SECRETARY OF STATE
STATE OF ARKANSAS
BY _____