

COVID-19 Care Continuity Emergency Response Reimbursement Payments

In response to the COVID-19 Pandemic, Arkansas has undertaken a broad-based approach for our emergency response to COVID-19. We have implemented a variety of preventive measures in line with CDC guidance and public health best practices, such as the closing of schools and other businesses, including health care practices such as dental clinics, and restrictions on large gatherings to increase social distancing practices across the state.

The State of Arkansas, working with providers and other stakeholders, quickly mobilized a plan to rapidly reconfigure our healthcare service delivery system to ensure continuation of critical medical services to those in need in the face of this new COVID-19 reality. This includes efforts to update physical facilities to meet new operational needs and meet the needs of highly vulnerable population, as well as increased use of personal protective equipment, relaxed requirements to encourage the use of telemedicine, suspension of elective surgical procedures, reconfiguring health care sites and operations to increase social distancing, and other measures being recommended by the CDC.

For many providers, federal funds are being made available to reimburse providers for the extraordinary expenses incurred to rapidly change operations to continue to safely deliver care for the first phase of the COVID-19 pandemic. For others, particularly those with minimal or no Medicare clients, federal relief has not, and may not, be available when needed. Therefore, the Department of Human Services is requesting funding from the Coronavirus Relief Fund to reimburse providers in Arkansas for those infrastructure and operational modifications costs not reimbursed by the federal government and incurred to continue safely serving clients during the first weeks of the pandemic.

Emergency Response Reimbursement Payment

The Arkansas Department of Human Services (DHS) will offer a time-limited, one-time reimbursement for infrastructure and operational costs specifically incurred by a health care provider in order to continue safely serving clients during the initial ten weeks of the pandemic (March 18- May 30, 2020).

The amount of the Emergency Response Reimbursement Payment will be determined by the state, and made available for provider types as listed in the table below:

Type of Health Care Provider
1.Independent Primary Care Physicians
2.Other Independent Physicians
3. Dentists
4.Independent Rural Health Care Agency (may not be affiliated with a hospital)
5.Independent Therapy practices (must have own physical site to receive clients)
6.Independent Ambulances

7. Outpatient Behavioral Health Agencies
8. Early Intervention Day Treatment (EIDT) Centers
9. Adult Development Day Treatment (ADDT) Centers

The provider must accept Medicaid patients, and either be a state-determined safety net provider type or have a certain percentage of Medicaid discharges, and meet applicable licensing requirements in order to qualify for an Emergency Response Reimbursement Payment. DHS shall retain the authority to determine whether the health care providers meet the requirements necessary to qualify for an Emergency Response Reimbursement Payment.

Eligible providers may be reimbursed for any of the following suggested purposes or may propose additional improvements, not included below, for DHS consideration and approval prior to payment:

1. Re-configuring patient intake areas or rooms to maintain social distancing and reduce the risk of COVID-19 transmission;
2. Enhancing cleaning and sanitation services beyond what would be required under normal infection control policy, and in compliance with CDC recommendations;
3. Emergency operations facility improvements;
4. Shifting to or enhancing available telemedicine services through equipment, technology, and facility upgrades; and
5. Purchase or lease of specialized equipment;
6. Changing business practices to expand services available and location of services and safe delivery of services in clinic settings; e.g. shifting hours of service availability and instituting screening;
7. Expanding use of in-home services (payment would be used to establish ability to change method of providing services, e.g. training staff. Virtual services are not included in component;)
8. Costs associated with expanding the use of telemedicine and telehealth by shifting to or enhancing available telemedicine services through equipment, technology, and facility upgrades, e.g. training staff and purchasing tablets for staff and clients;)
9. Additional workforce support or training, including training staff on delivering services via telemedicine; and
10. Maintaining operations by adding extended hours or additional days, or shifting scheduled hours to accommodate well vs. sick visits.

DHS would provide one-time reimbursement payments of up to:

Eligible Provider	Costs Not to Exceed	Estimated Sites	Estimated Cost
Independent Primary Care Physicians	\$5,000	1,200	\$6,000,000
Other Independent Physicians	\$5,000	250	\$1,250,000
Dentists	\$5,000	900	\$4,500,000
Independent Ambulances	\$5,000	150	\$750,000
Independent Rural Health Care Agency	\$50,000	30	\$1,500,000

(May not be affiliated with a hospital)			
Outpatient Behavioral Health Agencies (large)	\$50,000 (serves 5+ counties)	40	\$4,000,000
Outpatient Behavioral Health Agencies (small)	\$25,000	40	\$1,000,000
Independent Therapy Practices	\$2,500	2,000	\$5,000,000
EIDT Agencies (large)	\$25,000 (serves 100+ clients)	15	\$375,000
EIDT Agencies (small)	\$5,000	60	\$300,000
ADDT Agencies (large)	\$25,000 (serves 100+ clients)	20	\$500,000
ADDT Agencies (small)	\$5,000	50	\$250,000

Total Estimated Cost: \$23,425,000

To be eligible to receive the Emergency Response Reimbursement Payment, an eligible provider shall submit to DHS a description of the infrastructure or process improvement(s) made to its facilities and operations to better meet the challenge of COVID-19. The submission shall be on a form provided by DHS and shall include copies of the invoices or other documentation reflecting the actual costs incurred in making the infrastructure or operations improvement(s). Eligible expenses must be incurred between March 18, 2020 and no later than May 30, 2020. Invoices or other records of the expenses incurred must be collected and retained by the provider. Providers will have up to sixty days following the completion of the emergency response payment period (July 30, 2020) to submit a request for reimbursement. The provider must submit a cost report after completion of the project for auditing purposes.

The total amount of the reimbursement available may not exceed the maximum payment as set forth in this proposal, even if the particular provider incurs costs in making the particular infrastructure improvement(s) in excess of the maximum amount of the Emergency Response Reimbursement Payment.

Estimated Cost:

Restrictions on funds:

The recipient of funds would be required to attest that these are necessary expenditures due to the public health emergency with respect to COVID-19 and that none of these funds are used to:

- duplicate or supplant funding from any other source of payment including by future rate increases or from federal funding
- offset loss of revenue
- provide “retention” or retainer payments
- pay bonuses
- pay any increase in management fees to administrative personnel

Process and Procedures for Payment:

For purposes of program integrity, the provider must be enrolled in the Arkansas Medicaid program as of March 18, 2020 and currently accepting Medicaid beneficiaries. To be eligible to receive payments under this initiative, each qualified provider shall submit to DHS actual costs incurred to meet the challenge of COVID-19. Eligible expenses must be incurred or invoiced between March 18, 2020 and May 30, 2020. Invoices or other records of the expenses incurred must be collected and retained by the eligible organization. Eligible providers will have up to 60 days following the end of the COVID-19 emergency period in which to submit their actual expenditures that were not covered by any other source of funding for reconciliation. The total amount of the reimbursement may not exceed the maximum payment as set forth in this proposal, even if the particular provider incurs costs in making the particular infrastructure improvement(s) in excess of the maximum amount of the Emergency Response Reimbursement Payment. Payment will be made after DHS has determined the costs are allowable.

None of the expenses to be reimbursed under this proposal have been or will be reimbursed under any other federal program. To the extent that expenses are subsequently reimbursed under another federal program, funds disbursed from the Arkansas Coronavirus Relief Fund will be reconciled and recovered. Funds will not be disbursed from the Arkansas Coronavirus Relief Fund if sufficient funding is disbursed from another federal program to reimburse the expenses.