



Division of Medical Services

P.O. Box 1437, Slot S295, Little Rock, AR 72203-1437

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MEMORANDUM

TO: Interested Persons and Providers

FROM: Elizabeth Pitman, Director, Division of Medical Services

DATE: August 24, 2021

SUBJ: State Plan Amendment 2021-0004 Long-Acting Reversible Contraceptives (LARCs);
Physician 1-21

As a part of the Arkansas Administrative Procedure Act process, attached for your review and comment are proposed rule revisions.

Public comments must be submitted in writing at the above address or at the following email address: ORP@dhs.arkansas.gov Please note that public comments submitted in response to this notice are considered public documents. A public comment, including the commenter's name and any personal information contained within the public comment, will be made publicly available and may be seen by various people.

If you have any comments, please submit those comments in writing, no later than September 25th, 2021.

NOTICE OF RULE MAKING

The Director of the Division of Medical Services of the Department of Human Services announces for a public comment period of thirty (30) calendar days a notice of rulemaking for the following proposed rule under one or more of the following chapters, subchapters, or sections of the Arkansas Code: §§ 20-76-201, 20-77-107, and 25-10-129.

Effective December 1, 2021:

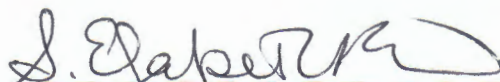
The Director of the Division of Medical Services (DMS) revises the Medicaid State Plan by replacing the term Intrauterine Device (IUD) with Long-Acting Reversible Contraceptives (LARCs) to acknowledge the possible use of other types of LARCs as they become available. The revision also revises rate methodology and updates reimbursement rates for currently covered LARCs. Claims with a date of service on and after December 1, 2021, for Long-Acting Reversible Contraceptives will be based on Wholesale Acquisition Costs as of December 1, 2021. Finally, DMS issues technical corrections to Section II of the Physician manual. The annual financial impact will be \$1,052,073 (Federal) and \$116,897 (State).

The proposed rule is available for review at the Department of Human Services (DHS) Office of Rules Promulgation, 2nd floor Donaghey Plaza South Building, 7th and Main Streets, P. O. Box 1437, Slot S295, Little Rock, Arkansas 72203-1437. You may also access and download the proposed rule on the Medicaid website at <https://humanservices.arkansas.gov/do-business-with-dhs/proposed-rules/>. Public comments must be submitted in writing at the above address or at the following email address: ORP@dhs.arkansas.gov. All public comments must be received by DHS no later than September 25, 2021. Please note that public comments submitted in response to this notice are considered public documents. A public comment, including the commenter's name and any personal information contained within the public comment, will be made publicly available and may be seen by various people.

A public hearing by remote access only through a Zoom webinar will be held on September 15th, 2021, at 11:00 a.m. and public comments may be submitted at the hearing. Individuals can access this public hearing at <https://us02web.zoom.us/j/82736912788>. The webinar ID is 827 3691 2788. If you would like the electronic link, "one-tap" mobile information, listening only dial-in phone numbers, or international phone numbers, please contact ORP at ORP@dhs.arkansas.gov.

If you need this material in a different format, such as large print, contact the Office of Rules Promulgation at 501-396-6428.

The Arkansas Department of Human Services is in compliance with Titles VI and VII of the Civil Rights Act and is operated, managed and delivers services without regard to religion, disability, political affiliation, veteran status, age, race, color or national origin. 4501960528



Elizabeth Pitman, Director
Division of Medical Services

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Contraception

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- A. Prescription and Non-Prescription Contraceptives
1. Medicaid covers birth control pills and other prescription contraceptives as a family planning prescription benefit.
 2. Medicaid covers non-prescription contraceptives as a family planning benefit when a physician writes a prescription for them.
- B. ~~Etonogestrel-Estrogen~~ (contraceptive) Implant System
1. Medicaid covers the ~~etonogestrel-estrogen~~ contraceptive implant system, including implants and supplies.
 2. Medicaid covers insertion, removal and removal with reinsertion.
- C. Intrauterine Device (IUD)
1. Medicaid pays for IUDs as a family planning ~~prescription~~ benefit.
 2. Alternatively, Medicaid reimburses physicians that supply the IUD at the time of insertion.
 3. Medicaid pays physicians for IUD insertion and removal.
- D. Medroxyprogesterone Acetate
- Medicaid covers medroxyprogesterone acetate injections for birth control.
- E. Sterilization
1. All adult (21 or older) male or female Medicaid beneficiaries who are mentally competent are eligible for sterilization procedures as long as they remain Medicaid-eligible.
 2. Medicaid covers Occlusion by Placement of Permanent Implants. Coverage includes the procedure, the implant device and follow-up procedures as specified in Section 292.553.
 3. Refer to Section 251.290 of this manual for Medicaid policy regarding sterilization.
 4. Refer to Sections 292.550 through 292.553 of this manual for family planning procedure codes and billing instructions for family planning services.

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

Revised: ~~October 1, 2014~~December 1, 2021

4.c. Family Planning Services

Reimbursement is based on the lesser of the amount billed or the maximum Title XIX (Medicaid) charge allowed. State developed fee schedule rates are the same for both public and private providers.

1. The Title XIX (Medicaid) maximum for Family Planning services is one hundred percent (100%) of the current physician Medicaid maximum.

At the beginning of each calendar year, the State Agency will negotiate with the affected provider group representatives to arrive at a mutually acceptable increase or decrease from the maximum rate. Market forces, such as private insurance rates, medical and general inflation figures, changes in practice costs and changes in program requirements, will be considered during the negotiation process. Any agreed upon increase or decrease will be implemented at the beginning of the following State Fiscal Year, July 1, with any appropriate State Plan changes.

2. Intrauterine Devices (IUDs) and Long-Acting Reversible Contraceptives (LARCs)

Effective for claims with dates of service January 1, 2014 and after, the intrauterine device (IUD) is reimbursed based on one hundred percent (100%) of the manufacturer's list price as of April 15, 2011. Effective for claims with dates of service October 1, 2014 and after, the fifty-two milligrams (52) mg Levon~~o~~rgestrel-Releasing Intrauterine Contraceptive System is reimbursed based on one hundred percent (100%) of the manufacturer's list price as of November 18, 2013. Effective for claims with dates of service October 1, 2014 and after, the 13.5 mg Levon~~o~~rgestrel-Releasing Intrauterine Contraceptive System is reimbursed based on one hundred percent (100%) of the manufacturer's list price as of January 1, 2013.

Effective for claims with dates of service December 1, 2021, and after, the reimbursement of Long-Acting Reversible Contraceptives (LARCs) will be based on Wholesale Acquisition Cost as of December 1, 2021. Reimbursement will also apply to replacement of LARCs per manufacturer recommendations, or sooner if medically necessary.