



**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: October 5, 2022

SUBJ: Long Acting Reversible Contraceptive Rate Increase

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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](mailto: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 November 5, 2022 .

All DHS proposed rules, public notices, and recently finalized rules may also be viewed at: [Proposed Rules & Public Notices](#).

## 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 January 1, 2023:**

The Director of the Division of Medical Services revises the Medicaid State Plan to update the rate methodology for long acting reversible contraceptives. Claims with a date of service on and after January 1, 2023, will be based on Wholesale Acquisition Cost plus 6%. The projected annual cost of this change for state fiscal year (SFY) 2023 is \$129,476 (federal share of \$116,529) and for SFY 2024 is \$258,953 (federal share of \$233,058).

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 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](mailto:ORP@dhs.arkansas.gov). All public comments must be received by DHS no later than **November 5, 2022**. 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 October 19, at 10:00 a.m. and public comments may be submitted at the hearing. Individuals can access this public hearing at <https://us02web.zoom.us/j/84696455502>. The webinar ID is 84696455502. 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](mailto:ORP@dhs.arkansas.gov).

If you need this material in a different format, such as large print, contact the Office of Rules Promulgation at 501-534-4138.

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. 4502100209

  
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Elizabeth Pitman, Director  
Division of Medical Services

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PROGRAM  
STATE ARKANSAS

ATTACHMENT 4.19-B  
Page 1v

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -  
OTHER TYPES OF CARE  
1, 2023

Revised: ~~December 1, 2021~~ January

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. 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 Levonorgestrel-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 Levonorgestrel-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 January 1, 2023~~December 1, 2021~~, and after, the reimbursement of Food and Drug Administration approved Long-Acting Reversible Contraceptives (LARCs) to include the IUD and contraceptive implants, will be based on Wholesale Acquisition Cost plus six percent (6%) as of December 1, 2021. Reimbursement will also apply to replacement of LARCs per manufacturer recommendations, or sooner if medically necessary. Reimbursement information can be found at the following [Physician Fee Schedule](#).