

Rural Emergency Hospitals – Zoom Public Hearing Transcript 10/25/23 @ 10:00 CST

Mac Golden: Welcome to a public hearing on a rule regarding rural emergency hospitals. Anita Castleberry, the Division of Medical Services Business Operations Manager will be announcing the Notice of Rule Making. Then we will open the floor for public comments. Please utilize the raise hand feature if you would like to make a public comment on the record. All official responses to public comments will appear on the DHS proposed rules website after the public comment period concludes. Ms. Castleberry will now read the notice of rulemaking.

Anita Castleberry: Thank you. Notice of Rule Making.

The Department of Human Services (DHS) 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.

The Director of the Division of Medical Services amends Medicaid State Plan and the Hospital, Critical Access Hospital (CAH), and End Stage Renal Disease (ERSD) Manual regarding necessary to implement coverage and reimbursement of rural emergency hospitals by Medicaid as addressed in Act 59 of 2023. Rural Emergency Hospitals, licensed by the Arkansas Department of Health, are needed to increase access to services; encourage healthcare provider collaboration; promote high quality, efficient, and effective services while embracing technology and promoting fair and adequate reimbursement for rural healthcare services. These hospitals will provide people living in rural areas the ability to obtain currently sparse or unavailable emergency and outpatient hospital services. Effective for dates of service on or after September 1, 2023, outpatient services performed by Rural Emergency Hospitals (REH) enrolled in the Arkansas REH Medicaid Program will be reimbursed by minimum interim payment in accordance with the Arkansas Medicaid Program outpatient fee schedule (at the lesser of the billed charge or the fee schedule maximum) with year-end cost settlements. Cost settlements are determined from REH submitted cost reports and are based on 100% reasonable costs. Reasonable costs are defined as total reimbursable costs under Medicare principles of cost reimbursement. The proposed rule estimates a financial impact of \$1,309,219 (\$942,638 of which is federal funds) for state fiscal year (SYF) 2024 and \$4,516,805 (\$3,252,100 of which is federal funds) for SYF 2025.

Also, the Medicaid State Plan is amended to clarify reimbursement for Acute Crisis Units.

Pursuant to the Governor's Executive Order 23-02, DHS repeals the following two rules as part of this promulgation: (1) DDS Policy 1036—HDC Transfers, and (2) DDS Policy 1037—HDC Therapeutic Trial Leaves.

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 [ar.gov/dhs-proposed-rules](https://www.ark.gov/dhs-proposed-rules). This notice also shall be posted at the local office of the Division of County Operations (DCO) of DHS in every county in the state.

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 **November 4, 2023**. 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 need this material in a different format, such as large print, contact the Office of Rules Promulgation at (501) 320-6428.

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Mac Golden: Thank you, Miss Castleberry. We now open the floor for public comments. If you would like to make a public comment please utilize the raise hand feature. I will pause for a moment to allow you opportunity to do so. While I'm doing so, please let the record reflect we have five attendees for today's public hearing.

If you wish to make a public comment at a later time, please email my office at ORP@dhs.arkansas.gov.

It does not appear that anyone wishes to make a public comment today. We thank you for attending, and this public hearing will now be closed.