TOC not required

212.600 Orthotic Appliances and Prosthetic Devices, All Ages 10-1-26

A. The Arkansas Medicaid Program covers orthotic appliances and prosthetic devices for beneficiaries under age twenty-one (21) in the Child Health Services (EPSDT) Program. Providers of orthotic appliances and prosthetic devices may be reimbursed by the Arkansas Medicaid Program when the items are prescribed by a physician and documented as medically necessary for beneficiaries under age twenty-one (21) participating in the Child Health Services (EPSDT) Program.

1. No prior authorization is required to obtain these services for beneficiaries under age twenty-one (21).
2. No benefit limits apply to orthotic appliances and prosthetic devices for beneficiaries under age twenty-one (21).

B. Arkansas Medicaid covers orthotic appliances for beneficiaries age twenty-one (21) and over. The following provisions must be met before services may be provided.

1. Prior authorization is required for orthotic appliances valued at or above the Medicaid maximum allowable reimbursement rate of $500.00 per item. Prior authorization may be requested by submitting form DMS-679A titled *Prescription & Prior Authorization Request for Medical Equipment Excluding Wheelchairs & Wheelchair Components* to DHS or its designated vendor. **View or print form DMS-679A and instructions for completion.** **View or print contact information for how to submit the request.**
2. A benefit limit of $3,000 per state fiscal year (SFY; July 1 through June 30) has been established for reimbursement for orthotic appliances. No extension of benefits will be granted.

   The following restrictions apply to the coverage of orthotic appliances.:

   a. Orthotic appliances may not be replaced for twelve (12) months from the date of purchase. If a beneficiary's condition warrants a modification or replacement and the $3,000.00 SFY benefit limit has not been met, the provider may submit documentation to DHS or its designated vendor, to substantiate medical necessity. **View or print contact information for how to submit the request**.
   b. Custom-molded orthotic appliances are not covered for a diagnosis of carpal tunnel syndrome prior to surgery.

C. Arkansas Medicaid covers prosthetic devices for beneficiaries age twenty-one (21) and over; however, the following provisions must be met before services may be provided.

1. Prior authorization will be required for prosthetic device items valued at or in excess of the $1,000.00 per item Medicaid maximum allowable reimbursement rate. Prior authorization may be requested by submitting form DMS-679A titled *Prescription & Prior Authorization Request for Medical Equipment Excluding Wheelchairs & Wheelchair Components* to DHS or its designated vendor. **View or print form DMS-679A and instructions for completion.** **View or print contact information for how to submit the request**.
2. A benefit limit of $60,000 per SFY has been established for reimbursement for prosthetic devices. No extension of benefits will be granted.
3. The following restrictions apply to coverage of prosthetic devices:

   a. Prosthetic devices may be replaced only after five years have elapsed from their date of purchase. If the beneficiary's condition warrants a modification or replacement, and the $60,000 per SFY benefit limit has not been met, the provider may submit documentation to DHS or its designated vendor to substantiate medical necessity. **View or print contact information for how to submit the request**.

b. Myoelectric prosthetic devices may be purchased only when needed to replace myoelectric devices received by beneficiaries who were under age twenty-one (21) when they received the original device.

D. The forms, listed below, are available for evaluating the need of beneficiaries age twenty-one (21) and over for orthotic appliances and prosthetic devices, and prescribing the needed appliances and equipment. The Medicaid Program does not require providers to use the forms, but the information the forms are designed to collect is required by Medicaid to process requests for prior authorization of orthotic appliances and prosthetic devices.

The appropriate forms (or the required information in a different format) must accompany the form DMS-679A. **View or print DMS-679A *titled Prescription & Prior Authorization Request for Medical Equipment Excluding Wheelchairs & Wheelchair Components* and instructions for completion.**

The forms and their titles are as follows:

1. DMS-647 Gait Analysis: Full Body. **View or print form DMS-647.**
2. DMS-648 Upper-Limb Prosthetic Evaluation. **View or print form DMS-648**.
3. DMS-649 Upper-Limb Prosthetic Prescription. **View or print form DMS-649**.
4. DMS-650 Lower-Limb Prosthetic Evaluation. **View or print form DMS-650**.
5. DMS-651 Lower-Limb Prosthetic Prescription. **View or print form DMS-651**.

E. Providers of orthotic appliances may be reimbursed for diabetic shoes or shoe inserts when prescribed by a beneficiary's provider who has prescribing authority and if it is within his or her scope of practice. The need for diabetic shoes or shoe inserts must be documented as medically necessary.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY.

DEPARTMENT Department of Human Services
BOARD/COMMISSION
PERSON COMPLETING THIS STATEMENT Andy Morgan
TELEPHONE NO. 320-6540 **EMAIL** andy.morgan@dhs.arkansas.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the Financial Impact Statement and email it with the questionnaire, summary, markup and clean copy of the rule, and other documents. Please attach additional pages, if necessary.

TITLE OF THIS RULE Signature Authority for Diabetic Shoes and Shoe Inserts

1. Does this proposed, amended, or repealed rule have a financial impact?
   Yes ☐ No ☑

2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule?
   Yes ☑ No ☐

3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes ☑ No ☐

   If no, please explain:

   (a) how the additional benefits of the more costly rule justify its additional cost;

   (b) the reason for adoption of the more costly rule;

   (c) whether the reason for adoption of the more costly rule is based on the interests of public health, safety, or welfare, and if so, how; and

   (d) whether the reason for adoption of the more costly rule is within the scope of the agency's statutory authority, and if so, how.

4. If the purpose of this rule is to implement a *federal* rule or regulation, please state the following:

   (a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year	**Next Fiscal Year**
General Revenue_____	General Revenue_____
Federal Funds_____	Federal Funds_____
Cash Funds_____	Cash Funds_____
Special Revenue_____	Special Revenue_____
Other (Identify)_____	Other (Identify)_____
Total_____	Total_____

(b) What is the additional cost of the state rule?

Current Fiscal Year	**Next Fiscal Year**
General Revenue $0	General Revenue $0
Federal Funds_____	Federal Funds_____
Cash Funds_____	Cash Funds_____
Special Revenue_____	Special Revenue_____
Other (Identify)_____	Other (Identify)_____
Total $0	Total $0

5. What is the total estimated cost by fiscal year to any private individual, private entity, or private business subject to the proposed, amended, or repealed rule? Please identify those subject to the rule, and explain how they are affected.

Current Fiscal Year	**Next Fiscal Year**
$ 0	$ 0

6. What is the total estimated cost by fiscal year to a state, county, or municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year	**Next Fiscal Year**
$ 0	$ 0

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars ($100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes ☐ No ☑

If yes, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

(1) a statement of the rule's basis and purpose;

(2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;

(3) a description of the factual evidence that:
(a) justifies the agency's need for the proposed rule; and
(b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;

(4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;

(5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;

(6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and

(7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
(a) the rule is achieving the statutory objectives;
(b) the benefits of the rule continue to justify its costs; and
(c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.