



Division of Medical Services

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

P: 501.682.8292 F: 501.682.1197

MEMORANDUM

TO: Interested Persons and Providers

FROM: Elizabeth Pitman, Director, Division of Medical Services

DATE: July 25, 2024

SUBJ: Notice of Specialized Formula and Associated Supplies rate change

As a part of the federal regulations requirements at 42 CFR 447.205, attached for your review and comment is the proposed Notice of Rate Change for Specialized Formula and Associated Supplies.

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 no later than August 26, 2024.

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

NOTICE OF RATE CHANGES FOR ARKANSAS MEDICAID

Pursuant to 42 C.F.R. § 447.205, the Director of the Division of Medical Services (DMS) of the Department of Human Services (DHS) issues the following Notice of Rate Changes for Specialized Formula and Associated Supplies effective for dates of service on or after August 1, 2024. DMS shall submit to the Centers for Medicare & Medicaid Services an amendment to the Arkansas Medicaid State Plan that changes the rate methodology for reimbursing specialized formula, hyperalimentation (enteral) formula, and associated supplies to ensure adequate supplies are available for Arkansas citizens.

The new rates cover specialized formula, hyperalimentation (enteral) formula, and associated supply to reflect the lesser of one hundred percent (100 %) of Medicare non-rural rates for Arkansas or eighty percent (80%) of Blue Cross Blue Shield rates, but with a minimum threshold set at eighty percent (80%) of the Medicare non-rural rate in compliance with the access rule published at CFR 447.203 (C)(1). Arkansas Medicaid will cover specific supplies for hyperalimentation providers not currently covered (Bolus Syring and Gravity Bags). The rate methodology changes projects a 22.1% aggregate increase in funding of \$1,922,971.00.

This Notice is available for review at the Department of Human Services (DHS) Office of Policy and Rules, 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 it 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 can 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 August 26, 2024. 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 Policy and Rules at 501-320-6428. 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. 4502201653

Elizabeth Pitman, Director
Division of Medical Services