

# ARKANSAS REGISTER



## Transmittal Sheet

Use only for **FINAL** and **EMERGENCY RULES**

Secretary of State

**Mark Martin**

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Little Rock, Arkansas 72201-1094

(501) 682-5070

[www.sos.arkansas.gov](http://www.sos.arkansas.gov)



For Office

Use Only:

Effective Date \_\_\_\_\_ Code Number \_\_\_\_\_

Name of Agency Department of Human Services

Department Division of Developmental Disabilities Services

Contact Elizabeth Pitman E-mail elizabeth.pitman@dhs.arkansas.gov Phone 501-682-4936

Statutory Authority for Promulgating Rules Arkansas Code Annotated 20-77-107

Rule Title: Transportation 1-18 and State Plan Amendment #2018-009

Intended Effective Date

(Check One)

☐ Emergency (ACA 25-15-204)

☐ 10 Days After Filing (ACA 25-15-204)

☒ Other July 1, 2018

(Must be more than 10 days after filing date.)

Legal Notice Published .....

Final Date for Public Comment .....

Reviewed by Legislative Council .....

Adopted by State Agency .....

Date

04/09/2018

05/08/2018

06/15/2018

07/01/2018

Electronic Copy of Rule e-mailed from: (Required under ACA 25-15-218)

Becky Murphy

becky.murphy@dhs.arkansas.gov

Contact Person

E-mail Address

Date

### CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted  
In Compliance with the Arkansas Administrative Act. (ACA 25-15-201 et. seq.)

Melissa Stone

Signature

(501) 682-8862

Phone Number

melissa.stone@dhs.arkansas.gov

E-mail Address

Director

Title

6/19/18

Date

## FINANCIAL IMPACT STATEMENT

### PLEASE ANSWER ALL QUESTIONS COMPLETELY

**DEPARTMENT** Arkansas Department of Human Services  
**DIVISION** Division of Developmental Disabilities Services  
**PERSON COMPLETING THIS STATEMENT** Elizabeth Pitman  
**TELEPHONE** 501-682-4936 **FAX** 501-682-8380 **EMAIL:** Elizabeth.pitman@dhs.arkansas.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

**SHORT TITLE OF THIS RULE** Transportation 1-18 and State Plan Amendment #2018-009

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 Does this proposed, amended, or repealed rule have a financial impact?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 an agency is proposing a more costly rule, please state the following:

(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 more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and;

(d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.

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

General Revenue	<u>0</u>
Federal Funds	<u>0</u>
Cash Funds	<u>0</u>
Special Revenue	<u>0</u>
Other (Identify)	<u>0</u>
Total	<u>0</u>

#### Next Fiscal Year

General Revenue	<u>0</u>
Federal Funds	<u>0</u>
Cash Funds	<u>0</u>
Special Revenue	<u>0</u>
Other (Identify)	<u>0</u>
Total	<u>0</u>

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

**Current Fiscal Year**

General Revenue	0
Federal Funds	0
Cash Funds	0
Special Revenue	0
Other (Identify)	0
Total	0

**Next Fiscal Year**

General Revenue	0
Federal Funds	0
Cash Funds	0
Special Revenue	0
Other (Identify)	0
Total	0

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

**Current Fiscal Year**

\$ 0

**Next Fiscal Year**

\$ 0

6. What is the total estimated cost by fiscal year to state, county, and 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**

\$ 0

**Next Fiscal Year**

\$ 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(c)(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.



**Division of Medical Services**  
**Program Development & Quality Assurance**

P.O. Box 1437, Slot S295 · Little Rock, AR 72203-1437  
501-320-6428 · Fax: 501-404-4619  
TDD/TTY: 501-682-6789



**TO:** Arkansas Medicaid Health Care Providers – Transportation

**EFFECTIVE DATE:** July 1, 2018

**SUBJECT:** Provider Manual Update Transmittal TRANSP-1-18

**REMOVE**

Section	Effective Date
260.000	—
261.000	7-15-12
271.000	9-1-08
272.000	9-1-08
272.100	9-1-08
272.200	9-1-08
273.000	9-1-08
274.000	9-1-08
275.000	10-13-03
281.000	9-1-08
281.100	10-13-03
290.000	—
291.000	7-1-07
292.100	7-1-07
292.300	11-1-17

**INSERT**

Section	Effective Date
260.000	—
261.000	7-1-18
271.000	7-1-18
272.000	7-1-18
272.100	7-1-18
272.200	7-1-18
273.000	7-1-18
274.000	7-1-18
275.000	7-1-18
281.000	7-1-18
281.100	7-1-18
290.000	—
291.000	7-1-18
292.100	7-1-18
292.300	7-1-18

**Explanation of Updates**

Sections 260.000, 261.000, 271.000, 272.000, 272.100, and 272.200 have been updated to change Developmental Day Treatment Clinic Services (DDTCS) to Early Intervention Day Treatment (EIDT) and Adult Developmental Day Treatment (ADDT) for participation requirements, program coverage, and mileage calculation.

Sections 273.000 and 274.000 have been updated to change DDTCS to EIDT and ADDT for the record requirements and record retention requirements.

Section 275.000 has been updated to change DDTCS to EIDT/ADDT for prior authorization

Sections 281.000 and 281.100 have been updated to change DDTCS to EIDT/ADDT for method of reimbursements and transportation survey.

Sections 290.000, 291.000, 292.100, and 292.300, have been updated to change DDTCS to EIDT/ADDT among the billing instructions, and procedure codes.

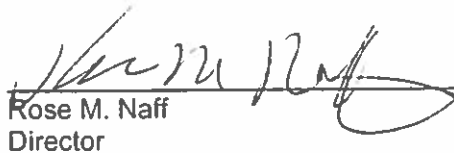
The paper version of this update transmittal includes revised pages that may be filed in your provider manual. See Section I for instructions on updating the paper version of the manual. For electronic versions, these changes have already been incorporated.

If you have questions regarding this transmittal, please contact the Provider Assistance Center at 1-800-457-4454 (Toll-Free) within Arkansas or locally and Out-of-State at (501) 376-2211.

If you need this material in an alternative format, such as large print, please contact the Program Development and Quality Assurance Unit at (501) 320-6429.

Arkansas Medicaid provider manuals (including update transmittals), official notices, notices of rule making and remittance advice (RA) messages are available for downloading from the Arkansas Medicaid website: [www.medicaid.state.ar.us](http://www.medicaid.state.ar.us).

Thank you for your participation in the Arkansas Medicaid Program.



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Rose M. Naff  
Director

## TOC required

## 260.000 EARLY INTERVENTION DAY TREATMENT (EIDT) AND ADULT DEVELOPMENTAL DAY TREATMENT (ADDT) TRANSPORTATION

### 261.000 Arkansas Medicaid Participation Requirements for EIDT and ADDT Transportation Providers 7-1-18

Non-emergency medical transportation will be provided by the transportation broker for the region in which the beneficiary lives with the exception of transportation to and from an Early Intervention Day Treatment (EIDT) or an Adult Developmental Day Treatment (ADDT) center when the transportation is provided by the EIDT or ADDT facility.

### 272.000 Coverage of EIDT or ADDT Transportation Services 7-1-18

Transportation provided by an EIDT or ADDT transportation providers is a covered service only for Medicaid eligible beneficiaries who are being transported to and from an EIDT or ADDT facility. Transportation by an EIDT or ADDT of Medicaid beneficiaries to and from other medical providers is not covered.

The Medicaid Program covers EIDT or ADDT transportation for "loaded miles" only. For purposes of this manual, "loaded miles" is that part of the trip in which a Medicaid beneficiary is a passenger in an EIDT or ADDT vehicle and is being transported either from the point of pickup to the facility or from the facility to the point of delivery. The exact address where the beneficiary is picked up and delivered must be documented in the EIDT or ADDT transportation provider's records.

### 272.100 Trips With Multiple Medicaid Beneficiaries 7-1-18

If more than one Medicaid beneficiary is transported at the same time to the same location, Medicaid may be billed only for one beneficiary. If more than one Medicaid beneficiary is transported at the same time to different locations, the provider may bill only for the beneficiary traveling the farthest distance. (For purposes of this manual, the farthest distance means the beneficiary on the route who lives the farthest away from the facility.)

The provider must keep a record of all persons being transported. If the person is a Medicaid beneficiary, the beneficiary's Medicaid identification number must also be recorded in the provider's records. The provider must complete the EIDT/ADDT Transportation Log (Form DMS-638) each time a client is transported to or from the facility. [View or print EIDT/ADDT Transportation Log Form DMS-638.](#)

### 272.200 Mileage Calculation 7-1-18

Mileage calculation is based on the odometer mileage for the Medicaid beneficiary traveling the farthest distance. The odometer mileage will be determined based on the following:

- A. From the point of pickup of the first Medicaid beneficiary to the facility.
- B. From the facility to the last Medicaid beneficiary's point of delivery.

The route taken when transporting the clients must be reasonable and must be planned to minimize the beneficiaries' time spent in route to and from the facility (i.e., must pick up the beneficiary farthest from the facility first and drop him or her off last). The provider must not take unnecessary extended routes to increase the mileage.

See Section 290.000 of this manual for billing procedures.

**273.000 Record Requirements for EIDT and ADDT Transportation Providers 7-1-18**

DDTCS transportation providers are required to keep written documentation of records to support the services actually furnished. The following records must be maintained:

- A. EIDT and ADDT transportation providers must complete the EIDT/ADDT Transportation Log (Form DMS-638) each time a client is transported to or from the DDTCS facility. The following information must be recorded on the EIDT/ADDT Transportation Log:
  1. Provider's name.
  2. The date and time of each pickup and delivery.
  3. Provider's identification number.
  4. Vehicle description, including the vehicle identification number and license plate number.
  5. Driver's name.
  6. Attendants' name, if applicable.
  7. Odometer reading and total mileage.
  8. The names of all persons transported.
  9. The exact address of a pickup and/or delivery point must be recorded on the log when the client is picked up or delivered to an address that is different from the address listed in the client's file. (The provider must provide documentation in the client's file of the reason(s) for a different address pickup and/or delivery.)
- B. The exact address where the client is scheduled to be picked up and delivered according to the client's file.
- C. The Medicaid identification number of each Medicaid beneficiary.

**274.000 Retention of Records 7-1-18**

EIDT and ADDT transportation providers must maintain all required records for a period of five (5) years from the last date of service or until all audit questions, appeal hearings, investigations or court cases are resolved, whichever is longer. The records must be made available during normal business hours to authorized representatives of the Arkansas Department of Human Services, Arkansas Division of Medical Services, the State Medicaid Fraud Unit, and representatives of the Department of Human Services and its authorized agents or officials. Failure to furnish records upon request will result in sanctions being imposed.

All documentation must be made available to representatives of the Division of Medical Services at the time of an audit by the Medicaid Field Audit Unit. All documentation must be available at the provider's place of business. If an audit determines that recoupment is necessary, there will be no more than thirty (30) days after the date of the recoupment notice in which additional documentation will be accepted.

**275.000 PRIOR AUTHORIZATION 7-1-18**

Prior Authorization is not applicable to Transportation Services provided by EIDT or ADDT providers in Arkansas.

**281.000 Method of Reimbursement for EIDT and ADDT Transportation Providers 7-1-18**

The Medicaid Program reimburses the lesser of the billed charges or the Title XIX maximum allowable. EIDT and ADDT Transportation providers are reimbursed on the basis of a rate times



loaded miles traveled for the eligible Medicaid beneficiary transported the longest distance for each trip.

**281.100 EIDT/ADDT Transportation Survey**

7-1-18

EIDT and ADDT transportation providers are required to prepare and submit an annual EIDT/ADDT Survey ([View or print EIDT/ADDT Transportation Survey DMS-632](#)) and other applicable information concerning the survey to the Arkansas Department of Human Services Division of Medical Services, Provider Reimbursement Unit. [View or print the Arkansas Department of Human Services Division of Medical Services, Provider Reimbursement Unit contact information.](#)

The survey information will be reported for the provider's fiscal period. The survey must be submitted within five (5) months after the close of the provider's fiscal year end. Providers with financial reporting periods of less than six (6) months are not required to submit a survey. However, if no survey is required, the provider must notify the Division of Medical Services (DMS) in writing why the survey is not being submitted. Failure to submit the completed survey or failure to submit a written explanation of a reporting period of less than six (6) months within the prescribed period, except as expressly extended by the State Medicaid agency, may result in the suspension of reimbursement until DMS receives this information.

Survey information requested includes direct and indirect/overhead costs, revenues and client mileage information associated with and applicable to the EIDT or ADDT Transportation Program. No other program costs, revenues or mileage information is to be included on the survey. If the provider provides transportation services for programs other than EIDT or ADDT programs, please remove the other program costs, revenues and mileage information before completing the survey and submit a narrative describing how these other transportation program amounts were calculated and removed. All cost and revenue amounts are to be reported using the accrual method of accounting and will be reported in whole dollar amounts, no cents.

Providers must also submit with the survey a written general description of what costs are included with indirect/overhead costs and how these costs were identified, calculated and allocated to the EIDT or ADDT transportation program.

Providers are required to maintain adequate financial records, mileage data and rider data for proper documentation and support of the cost and statistical information reported on the annual survey. These records must be retained for a period of five years after submission of the survey. The surveys, supporting documentation and provider narratives are subject to on-site review and inspection by DHS/DMS personnel.

EIDT and ADDT providers may order copies of Form DMS-632 on the Medicaid Form Request. Requests may be forwarded to the Hewlett Packard Enterprise Provider Assistance Center. [View or print the DXC Provider Assistance Center contact information.](#)

**290.000 EIDT/ADDT BILLING PROCEDURES****291.000 Introduction to Billing**

7-1-18

EIDT and ADDT transportation providers use the CMS-1500 claim form to bill the Arkansas Medicaid Program on paper for services provided to eligible Medicaid beneficiaries. Each claim should contain charges for only one beneficiary.

Section III of this manual contains information about Provider Electronic Solutions (PES) and other available options for electronic claim submission.

**292.100 EIDT/ADDT Procedure Codes**

7-1-18

Early Intervention Day Treatment (EIDT) providers and Adult Developmental Day Treatment (ADDT) providers may choose to provide transportation services for their clients as a fee-for-service provider for transportation to and from an EIDT or ADDT facility only. EIDT or ADDT transportation cannot be claimed for transporting beneficiaries to and from other medical providers.

The procedure code **A0120** must be used when billing the Medicaid Program for EIDT or ADDT transportation services. The Medicaid Program reimburses for "loaded miles" only, e.g., from the point of pickup to the EIDT or ADDT facility and from the EIDT or ADDT facility to the point of delivery. The route must be planned to minimize each beneficiary's time in route (i.e., the facility must pick up the beneficiary who lives farthest away first and drop him or her off last). One unit equals one mile. The overall allowable one-way mileage for each pickup and delivery trip should be totaled and rounded to a whole mile. Mileage will be rounded up if 0.5 or greater and rounded down if 0.4 or less.

292.300 EIDT and ADDT Transportation Billing Instructions—Paper Only

7-1-18

Bill Medicaid for professional services with form CMS-1500. The numbered items in the following instructions correspond to the numbered fields on the claim form. [View a sample form CMS-1500.](#)

Carefully follow these instructions to help the Arkansas Medicaid fiscal agent efficiently process claims. Accuracy, completeness, and clarity are essential. Claims cannot be processed if necessary information is omitted.

Forward completed claim forms to the Claims Department. [View or print the Claims Department contact information.](#)

**NOTE:** A provider delivering services without verifying beneficiary eligibility for each date of service does so at the risk of not being reimbursed for the services.

AMOUNT, DURATION AND SCOPE OF  
SERVICES PROVIDED

Revised: July 1, 2018

CATEGORICALLY NEEDY

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23. Any other medical care and any other type of remedial care recognized under State law, specified by the Secretary.

a. Transportation

(1) A. Ground Ambulance Services

For transportation of recipient when medically necessary as certified by a physician to a hospital, to a nursing home from the hospital or patient's home, to the patient's home from the hospital or nursing home, from a hospital (after receiving emergency outpatient treatment) to a nursing home if a patient is bedridden, and from a nursing home to another nursing home if determined necessary by the Office of Long Term Care. Emergency service is covered only through licensed emergency ambulance companies. Services not allowed by Title XVIII but covered under Medicaid will be paid for Medicare/Medicaid recipients.

These services will be equally available to all recipients.

B. Air Ambulance Services

Air ambulance services are provided to Arkansas Medicaid beneficiaries only in emergencies.

Air ambulance providers must be licensed by the Arkansas Ambulance Boards and enrolled as a Title XVIII, Medicare Provider.

(2) **Early Intervention Day Treatment (EIDT) and Adult Developmental Day Treatment (ADDT) Transportation**

**EIDT and ADDT** providers may provide transportation to and from their facility. The Medicaid transportation broker must provide transportation to and from the nearest qualified medical provider for the purpose of obtaining medical treatment.

AMOUNT, DURATION AND SCOPE OF  
SERVICES PROVIDED

Revised: July 1, 2018

MEDICALLY NEEDY

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23. Any other medical care and any other type of remedial care recognized under State law, specified by the Secretary.

a. Transportation

(1) A. Ground Ambulance Services

For transportation of recipients when medically necessary as certified by a physician to a hospital, to a nursing home from the hospital or patient's home, to the patient's home from the hospital or nursing home, from a hospital (after receiving emergency outpatient treatment) to a nursing home if a patient is bedridden and from a nursing home to another nursing home if determined necessary by the Office of Long Term Care. Emergency service is covered only through licensed emergency ambulance companies. Services not allowed by Title XVIII but covered under Medicaid will be paid for Medicare/Medicaid recipients.

These services will be equally available to all recipients.

B. Air Ambulance Services

Air ambulance services are provided to Arkansas Medicaid beneficiaries only in emergencies.

Air ambulance providers must be licensed by the Arkansas Ambulance Boards and enrolled as a Title XVIII, Medicare Provider.

(2) **Early Intervention Day Treatment (EDIT) and Adult Developmental Day Treatment (ADDT) Transportation**

**EDIT and ADDT** providers may provide transportation to and from a DDTCS facility. The Medicaid transportation broker must provide transportation to and from the nearest qualified medical provider for the purpose of obtaining medical treatment.

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

Revised: July 1, 2018

23. Any other medical care and any other type of remedial care recognized under State law, specified by the Secretary.

a. Transportation (Continued)

(2) Air Ambulance (continued)

Pediatric Hospitals

1. Helicopter Ambulance: Effective for dates of service occurring August 15, 2001 and after, helicopter ambulance services provided by instate pediatric hospitals will be reimbursed based on reasonable costs with interim payments and year-end cost settlement. Interim payments are made at the lesser of the amount billed or the Title XIX (Medicaid) charge allowed. Arkansas Medicaid will use the lesser of the reasonable costs or customary charges as determined from the hospital's submitted cost report to establish cost settlements. The cost settlements will be calculated using the methods and standards used by the Medicare Program. Methods and standards refer to the allocation of costs on the cost report and do not include any current or future Medicare reimbursement limits for this particular service.

(3) **Early Intervention Day Treatment (EIDT) and Adult Developmental Day Treatment (ADDT) Transportation**

Effective for claims with dates of service on or after **July 1, 2018**, EIDT and ADDT transportation providers will be reimbursed on a per mile basis at the lesser of the billed charges or the maximum Title XIX (Medicaid) charge allowed. Transportation will be covered from the point of pick-up to the **EIDT and ADDT** facility and from the **EIDT and ADDT** facility to the point of delivery. If more than one eligible Medicaid recipient is transported at the same time to the same location, Medicaid may be billed only for one recipient. If more than one Medicaid recipient is transported at the same time to different locations, the provider may bill only for the recipient traveling the farthest distance. **The route must be planned to ensure that beneficiaries spend the least of time being transported.** The maximum per mile is based on reasonable cost.

The **EDIT and ADDT** transportation providers will submit annual statements of mileage, revenues and expenses, i.e. salaries, repairs, supplies, rent, indirect overhead costs, etc. The State Agency will review the cost and mileage information at least biennially and adjust the reimbursement rate if necessary. Therefore, an inflation factor will not be automatically applied.