ARKANSAS REGISTER

Transmittal Sheet

Charlie Daniels
Secretary of State
State Capitol Room 026
Little Rock, Arkansas 72201-1094
(501) 682-3527

For Office Use Only: Effective Date _____ Code Number _____

Name of Agency Department of Health and Human Services.

Department Division of Medical Services.

Contact Carolyn Patrick E-mail carolyn.patrick@arkansas.gov Phone 682-8359.

Statutory Authority for Promulgating Rule _____.

Rule Title: Arkansas State Plan Amendment #2007-019

Intended Effective Date

☐ Emergency

☐ 10 Days After Filing

☒ Other July 1, 2008

Date

Legal Notice Published..... 03/19/08 – 03/21/08.

Final Date for Public Comment..... 04/17/08.

Reviewed by Legislative Council.....

Adopted by State Agency..... 07/01/08.

☒ Electronic Copy of Rule Provided (per Act 1478 of 2003)

☒ Electronic Copy of Rule to be e-mailed from: Becky Murphy (Contact Person) becky.Murphy@arkansas.gov (Email Address)

FILED
AR. REGISTER
2008 MAY -1 PM 3:15
SECRETARY OF STATE
STATE OF ARKANSAS
BY

CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted In Compliance with Act 434 of 1967 As Amended

Roy Jeffus
Signature

(501) 682-8292
Phone Number

roy.jeffus@arkansas.gov
E-mail Address

Director
Title

May 2, 2008.
Date

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Department of Human Services
DIVISION Division of Medical Services
PERSON COMPLETING THIS STATEMENT Randy Helms
TELEPHONE NO. 682-1857 **FAX NO.** 682-2480 EMAIL: randy.helms@arkansas.gov

To comply with Act 1104 of 1995, please complete the following Financial Impact statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE Arkansas Medicaid State Plan Amendment #2007-019

1. **Does this proposed, amended, or repealed rule or regulation have a financial impact?**
   Yes____ No ____. – See below.

2. **If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.**

3. **If the purpose of this rule or regulation is to implement a federal rule or regulation, please give the incremental cost for implementing the regulation. Please indicate if the cost provided is the cost of the program.**

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	

4. **What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule or regulation? Identify the party subject to the proposed regulation, and explain how they are affected.**

Current Fiscal Year	Next Fiscal Year

5. **What is the total estimated cost by fiscal year to the agency to implement this regulation?**

Current Fiscal Year	Next Fiscal Year

The impact on the Medicaid program is not immediate. The proposed policy eliminates the disincentive to purchase long term care insurance because of the possibility of losing Medicaid eligibility. Although there are no statistics currently available to develop a credible budget impact, this policy should have a positive impact on the Medicaid program because a third party insurance company will share in the cost of providing long term care.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Arkansas

STATE LONG-TERM CARE INSURANCE PARTNERSHIP

1902(r)(2)
1917(b)(1)(C) The following more liberal methodology applies to individuals who are eligible for medical assistance under one of the following eligibility groups:

Categorically needy individuals in nursing facilities and home & community based waiver programs under the special income level (300%) defined at 1902 (a)(10)(A)(ii)(V)."

An individual who is a beneficiary under a long-term care insurance policy that meets the requirements of a "qualified State long-term care insurance partnership" policy (partnership policy) as set forth below, is given a resource disregard as described in this amendment. The amount of the disregard is equal to the amount of the insurance benefit payments made to or on behalf of the individual. The term "long-term care insurance policy" includes a certificate issued under a group insurance contract.

X The State Medicaid Agency (Agency) stipulates that the following requirements will be satisfied in order for a long-term care policy to qualify for a disregard. Where appropriate, the Agency relies on attestations by the State Insurance Commissioner (Commissioner) or other State official charged with regulation and oversight of insurance policies sold in the state, regarding information within the expertise of the State's Insurance Department.

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DATE APP'V'D 2-21-08	
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HCFA 179 07-19	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Arkansas

STATE LONG-TERM CARE INSURANCE PARTNERSHIP

- The policy is a qualified long-term care insurance policy as defined in section 7702B(b) of the Internal Revenue Code of 1986.
- The policy meets the requirements of the long-term care insurance model regulation and long-term care insurance model Act promulgated by the National Association of Insurance Commissioners (as adopted as of October 2000) as those requirements are set forth in section 1917(b)(5)(A) of the Social Security Act.
- The policy was issued no earlier than the effective date of this State plan amendment.
- The insured individual was a resident of a Partnership State when coverage first became effective under the policy. If the policy is later exchanged for a different long-term care policy, the individual was a resident of a Partnership State when coverage under the earliest policy became effective.
- The policy meets the inflation protection requirements set forth in section 1917(b)(1)(C)(iii)(IV) of the Social Security Act.
- The Commissioner requires the issuer of the policy to make regular reports to the Secretary that include notification regarding when benefits provided under the policy have been paid and the amount of such benefits paid, notification regarding when the policy otherwise terminates, and such other information as the Secretary determines may be appropriate to the administration of such partnerships.
- The State does not impose any requirement affecting the terms or benefits of a partnership policy that the state does not also impose on non-partnership policies.
- The State Insurance Department assures that any individual who sells a partnership policy receives training, and demonstrates evidence of an understanding of such policies and how they relate to other public and private coverage of long-term care.
- The Agency provides information and technical assistance to the Insurance Department regarding the training described above.

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SUPERSEDES: NONE - NEW PAGE

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Revision: HCFABPM-95-3 (MB)
May 1995
July 1, 2008

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: **ARKANSAS**

(4) ____ The State disregards assets or resources for individuals who receive or are entitled to receive benefits under a long term care insurance policy as provided for in Attachment 2.6-A, Supplement 8b.

____ The State adjusts or recovers from the individual's estate on account of all medical assistance paid for nursing facility and other long term care services provided on behalf of the individual. (States other than California, Connecticut, Indiana, Iowa, and New York which provide long term care insurance policy-based asset or resource disregard must select this entry. These five States may either check this entry or one of the following entries.)

____ The State does not adjust or recover from the individual's estate on account of any medical assistance paid for nursing facility or other long term care services provided on behalf of the individual.

____ The State adjusts or recovers from the assets or resources on account of medical assistance paid for nursing facility or other long term care services provided on behalf of the individual to the extent described below:

1917(b)1(C) **X** If an individual covered under a long-term care insurance policy received benefits for which assets or resources were disregarded as provided for in Attachment 2.6-A, Supplement 8c (State Long-Term Care Insurance Partnership), the State does not seek adjustment or recovery from the individual's estate for the amount of assets or resources disregarded.

TN No. 07-19
Supersedes
TN No. 95-19

Approval Date 2-21-08 Effective Date 7-1-08

SUPERSEDES: TN- 95-19