

ARKANSAS REGISTER

APR. REGISTER DIV.

Transmittal Sheet

SHARON PRIEST
SECRETARY OF STATE
STATE OF ARKANSAS

BY _____

Sharon Priest
Secretary of State
State Capitol Rm. 01
Little Rock, Arkansas 72201-1094



For Office Use Only: Effective Date 7/1/97 Code Number 054 no. 97-003

Name of Agency Arkansas Insurance Department

Department Legal Division

Contact Person Roger McNeil Phone 371-2820

Statutory Authority for Promulgating Rules ACA §§23-61-108, 23-76-125, 23-79-141 & 25-15-208

	Date
Intended Effective Date	Legal Notice Published 11/9/96-12/9/96
<input type="checkbox"/> Emergency	Final Date for Public Comment 12/9/1996
<input type="checkbox"/> 10 Days After Filing	Filed With Legislative Council 11/9/1996
<input checked="" type="checkbox"/> Other	Reviewed by Legislative Council 1/2/1997
<u>July 1, 1997</u>	Adopted by State Agency 1/27/1997

CERTIFICATION OF AUTHORIZED OFFICER

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

Roger McNeil
Signature

(501) 371-2820
Phone Number

Associate Counsel
Title

1-31-97
Date

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SECRETARY OF STATE
STATE OF ARKANSAS

Arkansas Insurance Department



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SHARON PRIEST
SECRETARY OF STATE
STATE OF ARKANSAS

March 3, 1997

BY _____

BULLETIN NO. 3-97

TO: ALL LICENSED DISABILITY INSURERS, ALL LICENSED HEALTH MAINTENANCE ORGANIZATIONS, ALL LICENSED HOSPITAL & MEDICAL SERVICE CORPORATIONS, ALL LICENSED FRATERNAL BENEFIT SOCIETIES, ALL REGISTERED MET'S & MEWA'S & SELF-INSURED HEALTH CARE PLANS, ALL REGISTERED THIRD PARTY ADMINISTRATORS, AND OTHER INTERESTED PARTIES

FROM: ARKANSAS INSURANCE DEPARTMENT

SUBJECT: ADOPTION OF REVISED RULE AND REGULATION 45, "CHILDREN'S PREVENTIVE HEALTH CARE REIMBURSEMENT LEVELS"

The Department has adopted revised Rule and Regulation 45 effective July 1, 1997. The major changes made to the proposed rule following last December's public hearing and incorporated into the final rule are:

1) Section 4 - Change rule effective date to 7-1-97.

2) Section 6(A) - Add insurer's reimbursement levels approved by Commissioner at minimum amounts equal to current Arkansas Medicaid reimbursement. Deleting former caps at the Arkansas Medicaid reimbursement level to permit insurance payments to exceed those minimum reimbursements. Mandate that reimbursements cover cost of pharmaceutical material and fees to administer vaccines and immunizations.

3) Section 6(B) - Expand periodic visits by inserting "at a minimum" in the third line of (1); add compliance date of 7-1-97 in the last line of (2).

4) Section 6(C) - Add compliance date "on and after 7-1-97" in the first line; delete certain phrases on automatic adjustments to reimbursement levels to track decreases in Arkansas Medicaid to clarify permissible adjustment of minimum levels for increases in Arkansas Medicaid.

5) Section 7 - Add new introductory paragraph to mandate insurer's compliance with the Periodicity Schedule of American Academy of Pediatrics for periodic screening of children - replacing and deleting the former chart of scheduled visits; and specify use of most current edition of Arkansas Department of Human Services' Screening Manual.

Direct your inquiries or requests for Rule and Regulation 45 "Children's Preventive Health Care Reimbursement Levels" to the Legal Division at (501) 371-2820.

A handwritten signature in cursive script, appearing to read "Mike Pickens". The signature is written in dark ink on a white background.

MIKE PICKENS
INSURANCE COMMISSIONER

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RULE AND REGULATION 45
CHILDREN'S PREVENTIVE HEALTH CARE REIMBURSEMENT LEVELS

FILED
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SHARON FRIEST
SECRETARY OF STATE
STATE OF ARKANSAS

BY _____

12 Section 1. Purpose

13 The purpose of this Regulation is to implement and coordinate
14 insurers' compliance with Arkansas Code §23-79-141, as amended by Act
15 685 of 1995.

16 Section 2. Authority

17 This Rule is issued pursuant to the authority vested in the
18 Commissioner under Ark. Code Ann. §§23-61-108, 23-76-125, 23-79-141 as
19 amended by Act 685 of 1995, and 25-15-203, and other applicable
20 provisions of Arkansas law.

21 Section 3. Applicability and Scope

22 This Rule applies to every disability (health) insurer, hospital or
23 medical service corporation, health maintenance organization ("HMO"),
24 and fraternal benefit society licensed by the Arkansas Insurance
25 Commissioner ("Commissioner"), and to each self-insured plan transacting
26 disability insurance or providing disability coverage in this State
27 which delivers, issues for delivery in this State, or renews, extends,
28 or modifies disability policies, contracts, certificates and plans
29 providing hospital and medical coverage on an expense incurred, service,
30 or prepaid basis and which contracts provide coverage for a family
31 member of the insured person.

32 This Regulation does not apply to disability income, specified
33 disease, medicare supplement, hospital indemnity, or accident only
34 policies.

35 Section 4. Effective Date

36 The effective date of this Rule is July 1, 1997, upon signature of
37 the Commissioner and statutory filing.

38 Section 5. Definitions

39 A. Anticipatory Guidance

1 Anticipatory guidance shall include such things as visual evaluation
2 (titmus machine or other ophthalmological testing not required), hearing
3 evaluation (machine audiology test not required), dental inspection for
4 children under two years of age, and a nutritional assessment.

5 B. Children's Preventive Health Care Services

6 This term means physician-delivered or physician-supervised services for
7 eligible dependents from birth through age eighteen (18) , with periodic
8 preventive care visits, including medical history, physical examination,
9 developmental assessment, anticipatory guidance and appropriate
10 immunizations and laboratory tests, in keeping with prevailing medical
11 standards for the purposes of this Rule and Regulation.

12 C. Developmental Assessment

13 A developmental assessment should be obtained by history and observation
14 of the child, or by one recognized developmental tests. This portion of
15 the screening should include assessment of eye-hand coordination, gross
16 motor function (walking, hopping, climbing), fine motor skills (use of
17 finger dexterity and hand usage), speech development, daily living
18 personal skills such as dressing, feeding and grooming oneself,
19 behavioral development, and proofs of mind with body integration.

20 D. Lab Test/Immunizations

21 Laboratory procedures and immunizations should be performed as
22 appropriate for the child's age. A hematocrit or hemoglobin test is
23 recommended for children one (1) year of age and older and a urinalysis
24 is recommended for children five (5) years of age and older. Other
25 laboratory procedures are to be performed if it is deemed appropriate by
26 the child's age and/or health history (i.e., lead toxicity, sickle cell,
27 tuberculin, pap smear).

28 E. Medical History

29 A medical history is to be obtained from the parent, legal guardian, or
30 other responsible adult who is familiar with the child's health
31 history. The child's height and weight should also be recorded and
32 compared with the ranges considered normal for children of that age.

33 F. Periodic Preventive Care Visits

34 Routine tests and procedures performed for the purpose of detection of
35 abnormalities or malfunctions of bodily systems and parts according to
36 accepted medical practice.

37 G. Physical Examination

38 A physical examination is to be performed to note obvious physical
39 defects including orthopedic, genital, skin, and other observable
40 deviations.

1 Section 6. Reimbursement Levels

2 A. Pursuant to Ark. Code Ann. 23-79-141 (f), as amended by Act
3 685 of 1995, reimbursements levels shall be approved by the Commissioner
4 at minimum amounts equal to current Arkansas Medicaid reimbursement
5 levels; and thereafter shall comply with each and every future
6 alteration in Medicaid's payment mechanisms; further these minimum
7 reimbursement levels shall be provided for the services mandated under
8 this section of the Insurance Code, although payments under insurance
9 policies and contracts exceeding these levels are permissible. For any
10 pharmaceutical products for which reimbursement levels are not
11 established under the Medicaid Program in the State of Arkansas,
12 benefits shall be reimbursed at minimum levels equal to the "Average
13 Wholesale Price" for said pharmaceutical products, as defined in the
14 most current edition of the Drug Topics Annual Redbook. Reimbursement
15 levels shall cover both the cost of pharmaceutical material and
16 administration fees for providers administering vaccines and
17 immunizations.

18 B. (1) Each disability insurance policy, contract, certificate or
19 plan providing benefits for children's preventive health care services
20 on a periodic basis shall include at a minimum twenty (20) visits at
21 approximately the following age intervals: birth, 2 weeks, 2 months, 4
22 months, 6 months, 9 months, 12 months, 15 months, 18 months, 2 years, 3
23 years, 4 years, 5 years, 6 years, 8 years, 10 years, 12 years, 14 years,
24 16 years and 18 years. A disability insurance policy, contract,
25 certificate or plan may provide that children's preventive health care
26 services which are rendered during a periodic review shall only be
27 covered to the extent that these services are provided by or under the
28 supervision of a single physician during the course of one (1) visit.

29 (2) Benefits for recommended vaccine and immunization services shall be
30 exempt from any co-payment, coinsurance, deductible or dollar limit
31 provisions in the disability insurance policy. Insurers and HMO's and
32 other licensees required to comply with this Rule shall explicitly state
33 in their policy and subscriber contracts that all other children's
34 preventive health care services shall be subject to co-payment,
35 coinsurance, deductible, or dollar limit provisions in the policy or
36 contract. In this regard, insurers, HMO's and other licensees required
37 to obtain the Department's prior approval of forms and endorsements
38 under Ark. Code Ann. §23-79-109 and other applicable laws shall make
39 form or endorsement filings with this Department to ensure current
40 Arkansas policies and contracts are in compliance with this Rule and
41 Regulation by or before July 1, 1997.

42 C. On and after July 1, 1997, insurers, HMO's and self-insured
43 plans shall adhere to the provisions outlined in Section 6 (A).

44 Upon any subsequent increase in Medicaid's reimbursement levels for
45 the State of Arkansas, insurers, HMO's, and self-insured plans may
46 adjust their minimum reimbursement levels accordingly.

47 Upon any adjustment of minimum reimbursement levels necessitated by
48 subsequent changes in Arkansas' Medicaid Program, insurers and HMO's
49 shall comply with form, rate and/or rule filings required under the
50 Arkansas Insurance Code to disclose such amendments.

1 Section 7. Periodic Screening Guidelines

2 For compliance with this Rule, insurers and others shall adhere to
3 standards for the most current and recommended Periodicity Schedule of
4 the American Academy of Pediatrics, and to the most current and
5 recommended immunization and vaccine schedule of the Advisory Committee
6 on Immunization Practices, the American Academy of Pediatrics and of the
7 American Academy of Family Physicians for children and infants from
8 birth to age 18 years.

9 Insurers and others shall refer to the most current edition of the
10 Arkansas Department of Human Services' Early and Periodic Screening
11 Diagnosis & Treatment ("EPSDT") Manual.

12 Proper and timely application of the most current EPSDT Schedule
13 and procedures prescribed in this Rule should enable the Arkansas EPSDT
14 Program to reduce substantially the incidence of child morbidity
15 throughout the State and in the long run reduce the human and financial
16 costs associated with neglected health care.

17 Section 8. Severability

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19 Any section or provision of this Rule held by a court to be invalid
20 or unconstitutional will not affect the validity of any other section or
21 provision of this Rule.

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MIKE PICKENS
INSURANCE COMMISSIONER
STATE OF ARKANSAS

127/97

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DATE