



**DHS Secretary Kristi Putnam
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November 7, 2024

Hon. Terry Rice, Arkansas Legislative Council Co-Chair
Hon. Jeff Wardlaw, Arkansas Legislative Council Co-Chair
1 Capitol Mall, Fifth Floor
Little Rock, Arkansas 72201

Dear Senator Rice and Representative Wardlaw:

As directed by Section 15 of Act 213 of 2022, I am reporting to Arkansas Legislative Council (ALC) the status of our efforts regarding reimbursement rates under the Living Choices Assisted Living Waiver.

DHS has completed the work necessary to implement Act 198 of 2023, which authorized DHS to establish cost reporting for Medicaid-funded assisted living facilities. The Agency is preparing to begin the next cycle of annual cost reporting in January 2025.

The first cost report analysis and public comment responses were compiled and posted on March 4, 2024. Responses can still be found at <https://humanservices.arkansas.gov/rules/ar-living-choices-al-waiver/>.

On July 3, 2024, DHS received formal approval of the Living Choices waiver amendment from CMS, approving the new proposed rate of \$86.73 to begin on July 1, 2024. DHS presented the proposed rate increase to Public Health on August 14 with full ALC approval received on August 23, 2024. Assisted living facilities were reimbursed at the new rate retroactive to July 1, 2024. The new rate was implemented effective September 1st for all new claims submissions. All claims submitted between July 1 and August 31 were reprocessed and an adjustment to those payments was made on October 4, 2024.

Annual cost reporting for Medicaid-funded assisted living providers will now be conducted in accordance with Act 198 of 2023, and results of this annual cost reporting analysis will be shared with the ALC. Finally, as requested in the May 31, 2024, ALC meeting, please see the attached report on facility change of ownerships or closures for the previous month of October. As part of this report, we will continue to provide an updated list of this information each month, in addition to the immediate e-mail and text notifications we have been providing to ALC on an ongoing basis.

Very respectfully,

Kristi Putnam
Secretary, Arkansas Department of Human Services

Notification Received	Status/Update	Date of expected sell or closure	PROVIDER NAME	TRANSACTION			
				Medicaid:	Beds:	TYPE	COUNTY
5/14/2024	10/18/2024 Closed	8/31/2024	Horizons of Hope	Yes	70	CHOW	Hempstead
5/13/2024	10/18/2024 License issued.	8/31/2024	Horizons LLC	Yes	70	CHOW	Hempstead
8/22/2024	10/18/2024 Closure approved.	10/1/2024	HEARTS AND HOMES RESIDENTIAL LLC DBA HEARTS AND HOMES	No	8	Closure	Garland
9/10/2024	10/11/24 License issued.	10/31/2023	Saline Senior Living Communities LLC	No	100	CHOW	Saline
9/10/2024	10/8/2024 Closed	10/31/2023	Mt Carmel Community Benton	No	100	CHOW	Saline
10/7/2024	10/11/2024 Closed	9/11/2024	Short Mountain Lodge Residential	Yes	74	Closure	Logan