



**DHS Secretary Kristi Putnam
Office of the Secretary**

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June 11, 2025

Hon. Jane English, Co-Chair
Hon. Mary Bently, Co-Chair
Hospital, Medicaid and Developmental Disabilities Study Subcommittee
1 Capitol Mall, Fifth Floor
Little Rock, Arkansas 72201

Dear Senator English and Representative Bently:

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 implemented Act 198 of 2023 to establish cost reporting for Medicaid-funded assisted living facilities. 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/>.

DHS previously reported receiving formal approval of the Living Choices waiver amendment from CMS, which approved the new proposed rate of \$86.73. DHS presented the proposed rate increase to Public Health on August 14 with full ALC approval received on August 23, 2024. The new rate was implemented effective September 1st and is now being used for claims submissions.

Annual cost reporting for Medicaid-funded assisted living providers will now be conducted annually in accordance with Act 198 of 2023, and results of this annual cost reporting analysis will be shared with the ALC. DHS opened the current reporting period in January 2025. Data is presently being analyzed by the agency's contracted reviewer, Meyers and Stauffer. As of this date, the agency has received reports from all facilities participating in the Living Choices Assisted Living Waiver, with the exception of the following four facilities:

- Evangelical Lutheran Good Samaritan Society in Mountain Home
- Autumn Home Care Facilities in Pea Ridge
- Brookdale Chenal Heights in Little Rock
- The Chapters in Maumelle

All of these facilities have been contacted and have committed to submitting their cost reports by close of business on June 13, 2025. Any recommendations for rate adjustments will be submitted to the Governor's Office and the Arkansas Legislative Council (ALC) for consideration.

Finally, as requested in the May 31, 2024, ALC meeting, we report that there have been no facility change of ownerships or closures for the previous month of April. We will continue to provide this information each month, in addition to the e-mail and text notifications we have been providing to ALC on an ongoing basis.

Very respectfully,

A handwritten signature in blue ink, appearing to read 'Kristi Putnam'.

Kristi Putnam
Secretary, Arkansas Department of Human Services