



Office of the Secretary

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July 22, 2026

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

Dear Senator English and Representative Bentley:

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/>.

Formal approval of the new proposed rate resulting from the first cost report analysis was received from both CMS and ALC in the third quarter of 2024. The new rate of \$86.73 was implemented effective September 1, 2024, and is currently being used for claims submissions.

The annual cost reporting period for calendar year 2025 has closed with all facilities participating in the Medicaid program reporting. DHS has contracted Meyers and Stauffer to compile cost report data and produce a report for submission. Meyers and Stauffer covered the content of the cost report and instructions for completing and submitting data. Data analysis has been completed with Meyers and Stauffer preparing a report for submission to the agency Secretary. Due to the work requirements as the end of FY 26 approached, Meyers and Stauffer requested an extension of 30 days to report findings. Their report is due by July 31st.

Finally, as requested in the May 31, 2024, ALC meeting, please see the attached change of ownerships or closures for the previous month of May.

Very respectfully,

Janet Mann
Secretary, Arkansas Department of Human Services