

DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL SERVICES

SUBJECT: Rehabilitative Hospital Provider Manual, 20 CAR pt. 643

DESCRIPTION:

Statement of Necessity

The Division of Medical Services (DMS) revises the Rehabilitative Hospital Provider Manual. New sections are added to create rules regarding Adult Acute Psychiatric Inpatient Hospitalization services and detailed criteria for admission to a Rehabilitative Hospital.

Adult Acute Psychiatric Inpatient Hospitalization services address severe, rapidly emerging psychiatric conditions that require immediate intervention and intensive treatment. The services are delivered in a highly secure and structured inpatient setting and exceed the level of care typically available in a general inpatient psychiatric unit. The primary goal is to stabilize acute psychiatric symptoms, manage dangerous behavior, and facilitate transition to a less intensive level of care.

The criteria for admission include psychiatric evaluations, level of care necessity, and severity of illness. All criteria must be met to be admitted.

Rule Summary

DMS adds two new sections in the Rehabilitative Hospital Provider Manual. Section 217.000 creates rules regarding Adult Acute Psychiatric Inpatient Hospitalization services. Section 217.100 establishes detailed criteria for admission to a Rehabilitative Hospital.

PUBLIC COMMENT: A public hearing was held on this rule on December 10, 2025. The public comment period expired on December 20, 2025. The agency provided the following public comment summary.

Commenter's Name: Brian Thomas President & CEO, on behalf of the Board of Directors, Medical Staff, and Leadership of Jefferson Hospital Association, Inc., d/b/a Jefferson Regional Medical Center

COMMENT: On behalf of the Board of Directors, Medical Staff, and Leadership of Jefferson Hospital Association, Inc., d/b/a Jefferson Regional Medical Center, I wish to offer our full support for the modification and expansion of the Rehabilitative Hospital Manual to include Medicaid coverage for inpatient behavioral health services provided at the Jefferson Regional Specialty Hospital in White Hall, AR.

For over four decades, Jefferson Regional Medical Center offered inpatient adult behavioral health services within its acute care hospital to care for the southeast Arkansas market. In 2024, Jefferson Regional partnered with LifePoint Health in order to expand this excellent program to a brand new, state-of-the-art stand-alone hospital that increased our adult psych beds from 18 beds to 36 beds. In fact, this new hospital is one of the first

of its kind in the United States to house an inpatient behavioral health unit joined with an inpatient rehabilitation hospital. We are so proud of this new project, but the inability to treat and bill for Medicaid services for adult behavioral health at this new facility is a direct detriment to the patients that we serve in this region. Currently, many patients are being held in the emergency department for hours/days, only to be transferred to other behavioral health hospitals elsewhere in the state in order to receive the necessary care they need. In order to keep those patients right here in southeast Arkansas, we strongly support this manual change to include the provision that inpatient behavioral health services be covered within the Inpatient Rehabilitation hospital.

RESPONSE: Thank you for the comment supporting the changes to the Rehabilitative Hospital Manual allowing a new provider type to provide much needed psychiatric hospital services to Medicaid beneficiaries.

The proposed effective date is March 1, 2026.

FINANCIAL IMPACT: The agency indicated that this rule has no financial impact.

LEGAL AUTHORIZATION: The Department of Human Services has the responsibility to administer assigned forms of public assistance and is specifically authorized to maintain an indigent medical care program (Arkansas Medicaid). *See* Ark. Code Ann. §§ 20-76-201(1), 20-77-107(a)(1). The Department has the authority to make rules that are necessary or desirable to carry out its public assistance duties. Ark. Code Ann. § 20-76-201(12). The Department and its divisions also have the authority to promulgate rules as necessary to conform their programs to federal law and receive federal funding. Ark. Code Ann. § 25-10-129(b).



Office of Policy and Rules
P.O. Box 1437, Slot S295, Little Rock, AR 72203-1437
P: 501.320.6383 F: 501.404.4619

November 20, 2025

Mrs. Rebecca Miller-Rice
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
#1 Capitol, 5th Floor
Little Rock, AR 72201

Dear Mrs. Rebecca Miller-Rice:

Re: Rehabilitative Hospital Manual

Please arrange for this rule to be reviewed by the ALC-Administrative Rules Subcommittee. If you have any questions or need additional information, please contact me at 501-320-6383 or by emailing Mac.E.Golden@dhs.arkansas.gov.

Sincerely,

Mac Golden

Mac Golden
Attorney III
Office of Policy and Rules

Attachments

**QUESTIONNAIRE FOR FILING PROPOSED RULES WITH
THE ARKANSAS LEGISLATIVE COUNCIL**

DEPARTMENT _____
BOARD/COMMISSION _____
BOARD/COMMISSION DIRECTOR _____
CONTACT PERSON _____
ADDRESS _____
PHONE NO. _____ EMAIL _____
NAME OF PRESENTER(S) AT SUBCOMMITTEE MEETING _____
PRESENTER EMAIL(S) _____

INSTRUCTIONS

In order to file a proposed rule for legislative review and approval, please submit this Legislative Questionnaire and Financial Impact Statement, and attach (1) a summary of the rule, describing what the rule does, the rule changes being proposed, and the reason for those changes; (2) both a markup and clean copy of the rule; and (3) all documents required by the Questionnaire.

If the rule is being filed for permanent promulgation, please email these items to the attention of Rebecca Miller-Rice, miller-ricer@blr.arkansas.gov, for submission to the Administrative Rules Subcommittee.

If the rule is being filed for emergency promulgation, please email these items to the attention of Director Marty Garrity, garritym@blr.arkansas.gov, for submission to the Executive Subcommittee.

Please answer each question completely using layman terms.

1. What is the official title of this rule?

2. What is the subject of the proposed rule? _____

3. Is this rule being filed under the emergency provisions of the Arkansas Administrative Procedure Act? Yes No

If yes, please attach the statement required by Ark. Code Ann. § 25-15-204(c)(1).

If yes, will this emergency rule be promulgated under the permanent provisions of the Arkansas Administrative Procedure Act? Yes No

4. Is this rule being filed for permanent promulgation? Yes No

If yes, was this rule previously reviewed and approved under the emergency provisions of the Arkansas Administrative Procedure Act? Yes No

If yes, what was the effective date of the emergency rule? _____

On what date does the emergency rule expire? _____

5. Is this rule required to comply with a *federal* statute, rule, or regulation? Yes No

If yes, please provide the federal statute, rule, and/or regulation citation.

6. Is this rule required to comply with a *state* statute or rule? Yes No

If yes, please provide the state statute and/or rule citation.

7. Are two (2) rules being repealed in accord with Executive Order 23-02? Yes No

If yes, please list the rules being repealed.

If no, please explain.

8. Is this a new rule? Yes No

Does this repeal an existing rule? Yes No

If yes, the proposed repeal should be designated by strikethrough. If it is being replaced with a new rule, please attach both the proposed rule to be repealed and the replacement rule.

Is this an amendment to an existing rule? Yes No

If yes, all changes should be indicated by strikethrough and underline. In addition, please be sure to label the markup copy clearly as the markup.

9. What is the state law that grants the agency its rulemaking authority for the proposed rule, outside of the Arkansas Administrative Procedure Act? Please provide the specific Arkansas Code citation(s), including subsection(s).

10. Is the proposed rule the result of any recent legislation by the Arkansas General Assembly?
Yes No

If yes, please provide the year of the act(s) and act number(s).

11. What is the reason for this proposed rule? Why is it necessary?

12. Please provide the web address by which the proposed rule can be accessed by the public as provided in Ark. Code Ann. § 25-19-108(b)(1).

13. Will a public hearing be held on this proposed rule? Yes No

If yes, please complete the following:

Date: _____

Time: _____

Place: _____

Please be sure to advise Bureau Staff if this information changes for any reason.

14. On what date does the public comment period expire for the permanent promulgation of the rule? Please provide the specific date. _____

15. What is the proposed effective date for this rule? _____

16. Please attach (1) a copy of the notice required under Ark. Code Ann. § 25-15-204(a)(1) and (2) proof of the publication of that notice.

17. Please attach proof of filing the rule with the Secretary of State, as required by Ark. Code Ann. § 25-15-204(e)(1)(A).

18. Please give the names of persons, groups, or organizations that you anticipate will comment on these rules. Please also provide their position (for or against), if known.

19. Is the rule expected to be controversial? Yes No

If yes, please explain.

Kate Chagnon

From: Legal Ads <legalads@arkansasonline.com>
Sent: Wednesday, November 19, 2025 11:33 AM
To: Kate Chagnon
Cc: Mac Golden; Jack Tiner; Lakeya Gipson; Elaine Stafford
Subject: Re: Full Run Ad (Rule 316)

Follow Up Flag: Follow up
Flag Status: Flagged

[EXTERNAL SENDER]

Scheduled for Fri 11/21, Sat 11/22, and Sun 11/23. Thank you.

Gregg Sterne, Legal Advertising
Arkansas Democrat-Gazette
legalads@arkansasonline.com

From: "Kate Chagnon" <Kate.Chagnon@dhs.arkansas.gov>
To: "legalads" <legalads@arkansasonline.com>
Cc: "Mac Golden" <Mac.E.Golden@dhs.arkansas.gov>, "Jack Tiner" <jack.tiner@dhs.arkansas.gov>, "Lakeya Gipson" <Lakeya.Gipson@dhs.arkansas.gov>, "Elaine Stafford" <elaine.stafford@dhs.arkansas.gov>
Sent: Tuesday, November 18, 2025 12:43:31 PM
Subject: Full Run Ad (Rule 316)

Hello,

Please reply to this email using REPLY ALL.

Please run the attached public notice in the *Arkansas Democrat-Gazette* on **Friday 11/21/25, Saturday 11/22/25, and Sunday 11/23/25**.

I am aware that the print version will only be provided to all counties on Sundays.

Invoice to: **AR Dept of Human Services**
OPR, ATTN: Lakeya Gipson
P.O. Box 1437, Slot S295
Little Rock, AR 72203-8068

(Lakeya.Gipson@dhs.arkansas.gov)

I look forward to your confirmation.

Sincerely,



Kate Chagnon

Rules & Regulations Coordinator
Arkansas Department of Human Services
Office of Policy and Rules

P: 501.371.1316

kate.chagnon@dhs.arkansas.gov

humanservices.arkansas.gov

Privacy Notice: This email may contain confidential information protected by state/federal laws. If you are not the intended recipient, please let the sender know, and delete the message/attachment(s) from your system.

Kate Chagnon

From: Kate Chagnon
Sent: Thursday, November 20, 2025 2:16 PM
To: register@sos.arkansas.gov
Cc: Jack Tiner; Mac Golden; Lakeya Gipson; JAMIE EWING
Subject: DHS/DMS - Proposed Filing - Rehabilitative Hospital Manual
Attachments: Arkansas Register-Proposed Filing_Rehabilitative Hospital Manual_R316.pdf

Hello,

Attached please find a Proposed Filing for Rehabilitative Hospital Manual (Rule 316).

The public notice will run on Friday 11/21/25, Saturday 11/22/25, and Sunday 11/23/25.

The public comment period ends Saturday, 12/20/25.

Please reply with a confirmation.

Sincerely,



Kate Chagnon
Rules & Regulations Coordinator
Arkansas Department of Human Services
Office of Policy and Rules

P: 501.371.1316
kate.chagnon@dhs.arkansas.gov

humanservices.arkansas.gov

Privacy Notice: This email may contain confidential information protected by state/federal laws. If you are not the intended recipient, please let the sender know, and delete the message/attachment(s) from your system.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY.

DEPARTMENT _____

BOARD/COMMISSION _____

PERSON COMPLETING THIS STATEMENT _____

TELEPHONE NO. _____ **EMAIL** _____

To comply with Ark. Code Ann. § 25-15-204(e), please complete the Financial Impact Statement and email it with the questionnaire, summary, markup and clean copy of the rule, and other documents. Please attach additional pages, if necessary.

TITLE OF THIS RULE _____

1. Does this proposed, amended, or repealed rule have a financial impact?

Yes No

2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule?

Yes No

3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes No

If no, please explain:

(a) how the additional benefits of the more costly rule justify its additional cost;

(b) the reason for adoption of the more costly rule;

(c) whether the reason for adoption of the more costly rule is based on the interests of public health, safety, or welfare, and if so, how; and

(d) whether the reason for adoption of the more costly rule is within the scope of the agency's statutory authority, and if so, how.

4. If the purpose of this rule is to implement a *federal* rule or regulation, please state the following:

(a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

General Revenue _____

Federal Funds _____

Cash Funds _____

Special Revenue _____

Other (Identify) _____

Total _____

(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue _____

Federal Funds _____

Cash Funds _____

Special Revenue _____

Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____

Federal Funds _____

Cash Funds _____

Special Revenue _____

Other (Identify) _____

Total _____

5. What is the total estimated cost by fiscal year to any private individual, private entity, or private business subject to the proposed, amended, or repealed rule? Please identify those subject to the rule, and explain how they are affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

6. What is the total estimated cost by fiscal year to a state, county, or municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes No

If yes, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

NOTICE OF RULE MAKING

The Department of Human Services (DHS) announces for a public comment period of thirty (30) calendar days a notice of rulemaking for the following proposed rule under one or more of the following chapters, subchapters, or sections of the Arkansas Code: §§20-76-201, 20 77-107, and 25-10-129. The projected effective date of the rule is March 1, 2026, and there is no fiscal impact.

The Division of Medical Services creates new sections of the Rehabilitative Hospital Provider Manual (20 Code of Arkansas Rules Part 643). Section 217.000 creates rules regarding Adult Acute Psychiatric Inpatient Hospitalization services. Section 217.100 establishes detailed criteria for admission to a Rehabilitative Hospital. These updates will allow a rehabilitative hospital to have an Acute Psychiatric Inpatient Unit allowing it to provide a high level of clinical intensity and supervision for clients requiring immediate intervention for psychiatric conditions.

The proposed rule is available for review at the Department of Human Services (DHS) Office of Policy and Rules, 2nd floor Donaghey Plaza South Building, 7th and Main Streets, P. O. Box 1437, Slot S295, Little Rock, Arkansas 72203-1437. You may also access and download the proposed rule at ar.gov/dhs-proposed-rules.

Public comments can be submitted in writing at the above address or at the following email address: ORP@dhs.arkansas.gov. All public comments must be received by DHS no later than December 20, 2025. Please note that public comments submitted in response to this notice are considered public documents. A public comment, including the commenter's name and any personal information contained within the public comment, will be made publicly available and may be seen by various people.

A public hearing will be held by remote access through Microsoft Teams. Public comments may be submitted at the hearing. The details for attending the Microsoft Teams hearing appear at ar.gov/dhspublichearings.

If you need this material in a different format, such as large print, contact the Office of Policy and Rules at 501-320-6428. The Arkansas Department of Human Services is in compliance with Titles VI and VII of the Civil Rights Act and is operated, managed and delivers services without regard to religion, disability, political affiliation, veteran status, age, race, color or national origin. **4502292178**

Elizabeth Pitman, Director
Division of Medical Services

Statement of Necessity and Rule Summary Rehabilitative Hospital Manual

Statement of Necessity

The Division of Medical Services (DMS) revises the Rehabilitative Hospital Provider Manual. New sections are added to create rules regarding Adult Acute Psychiatric Inpatient Hospitalization services and detailed criteria for admission to a Rehabilitative Hospital.

Adult Acute Psychiatric Inpatient Hospitalization services address severe, rapidly emerging psychiatric conditions that require immediate intervention and intensive treatment. The services are delivered in a highly secure and structured inpatient setting and exceed the level of care typically available in a general inpatient psychiatric unit. The primary goal is to stabilize acute psychiatric symptoms, manage dangerous behavior, and facilitate transition to a less intensive level of care.

The criteria for admission include psychiatric evaluations, level of care necessity, and severity of illness. All criteria must be met to be admitted.

Summary

DMS adds two new sections in the Rehabilitative Hospital Provider Manual. Section 217.000 creates rules regarding Adult Acute Psychiatric Inpatient Hospitalization services. Section 217.100 establishes detailed criteria for admission to a Rehabilitative Hospital.

TOC required

217.000 Acute Psychiatric Inpatient

12-1-25

Adult Acute Psychiatric Inpatient Hospitalization services are designed to address severe, rapidly emerging psychiatric conditions that require immediate intervention and intensive treatment. These services are delivered in a highly secure and structured inpatient setting and exceed the level of care typically available in a general inpatient psychiatric unit. The primary goal is to stabilize acute psychiatric symptoms, manage dangerous behavior, and facilitate transition to a less intensive level of care.

Services provide a higher level of clinical intensity and supervision, including:

- A. 24-hour skilled nursing care and clinical oversight;
- B. Daily medical and psychiatric evaluation;
- C. Continuous risk assessment and crisis management;
- D. A structured treatment environment (milieu) with individualized treatment planning;
- E. Multidisciplinary team involvement, including psychiatrists, psychiatric nurses, social workers, and mental health professionals;
- F. Specialized staff trained to manage aggressive, assaultive, or otherwise dangerous behaviors;
- G. Enhanced staffing ratios to allow for increased observation and rapid intervention; and
- H. Coordination of care planning with family, community providers, and support systems in preparation for step-down care.

217.100 Criteria

12-1-25

A person is eligible for admission based on the following criteria, all of which must be met.

A. Psychiatric Evaluation

- 1. A physician has conducted a comprehensive evaluation and determined that:
 - a. The individual has a psychiatric diagnosis or a provisional psychiatric diagnosis, excluding:
 - i. Intellectual disability,
 - ii. Substance use disorders,

unless these conditions coexist with another qualifying psychiatric diagnosis or provisional diagnosis.

B. Level of Care Necessity

The individual cannot be appropriately treated at a less intensive level of care due to the need for:

- 1. **24-hour availability** of services for diagnosis, monitoring, and assessment of response to treatment;
- 2. **Continuous access to a physician** 24 hours a day for timely and appropriate modifications to the treatment plan;
- 3. **Active involvement of a psychiatrist** in the development and ongoing management of the treatment program;

4. Professional nursing care available 24/7 to implement the treatment plan, monitor the patient's condition, and assess treatment response;
5. Round-the-clock clinical management and supervision.

C. Severity of Illness

The individual presents with one or more of the following conditions:

1. A significant risk of harm to self, others, or property;
2. A medical condition or illness that cannot be safely managed at a lower level of care due to compounding psychiatric and medical issues, resulting in a high risk of crisis or instability;
3. Severely impaired judgment or functional capacity, such that the person's ability to maintain self-care, occupational, or social functioning is critically threatened;
4. A need for treatment that would be medically unsafe if provided in a less intensive setting;
5. A worsening of psychiatric symptoms where continuation at a lower level of care cannot be expected to result in improvement or prevent deterioration, thereby posing danger to self, others, or property.

TOC required**217.000 Acute Psychiatric Inpatient**

12-1-25

Adult Acute Psychiatric Inpatient Hospitalization services are designed to address severe, rapidly emerging psychiatric conditions that require immediate intervention and intensive treatment. These services are delivered in a highly secure and structured inpatient setting and exceed the level of care typically available in a general inpatient psychiatric unit. The primary goal is to stabilize acute psychiatric symptoms, manage dangerous behavior, and facilitate transition to a less intensive level of care.

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 - i. Intellectual disability,
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unless these conditions coexist with another qualifying psychiatric diagnosis or provisional diagnosis.

B. Level of Care Necessity

The individual cannot be appropriately treated at a less intensive level of care due to the need for:

- 1. **24-hour availability** of services for diagnosis, monitoring, and assessment of response to treatment;
- 2. **Continuous access to a physician** 24 hours a day for timely and appropriate modifications to the treatment plan;
- 3. **Active involvement of a psychiatrist** in the development and ongoing management of the treatment program;

4. **Professional nursing care available 24/7** to implement the treatment plan, monitor the patient's condition, and assess treatment response;
5. **Round-the-clock clinical management and supervision.**

C. **Severity of Illness**

The individual presents with one or more of the following conditions:

1. A **significant risk of harm** to self, others, or property;
2. A **medical condition or illness** that cannot be safely managed at a lower level of care due to compounding psychiatric and medical issues, resulting in a high risk of crisis or instability;
3. **Severely impaired judgment or functional capacity**, such that the person's ability to maintain self-care, occupational, or social functioning is critically threatened;
4. A need for **treatment that would be medically unsafe** if provided in a less intensive setting;
5. A **worsening of psychiatric symptoms** where continuation at a lower level of care cannot be expected to result in improvement or prevent deterioration, thereby posing danger to self, others, or property.