

EXHIBIT L

QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY Department of Human Services
DIVISION Division of Medical Services
DIVISION DIRECTOR Andrew Allison, PhD
CONTACT PERSON Brett Hays
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NAME OF PRESENTER AT COMMITTEE MEETING Marilyn Strickland
PRESENTER E-MAIL marilyn.strickland@arkansas.gov

INSTRUCTIONS

- A. Please make copies of this form for future use.
- B. Please answer each question completely using layman terms. You may use additional sheets, if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
Room 315, State Capitol
Little Rock, AR 72201

1. What is the short title of this rule?
Dental 3-13
2. What is the subject of the proposed rule?
New Dental Benefit Limits and Authorization Requirements
3. Is this rule required to comply with a federal statute, rule, or regulation? Yes ___ No X .
If yes, please provide the federal rule, regulation, and/or statute citation.
4. Was this rule filed under the emergency provisions of the Administrative Procedure Act?
Yes ___ No X .
If yes, what is the effective date of the emergency rule? _____
When does the emergency rule expire? _____
Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act? Yes ___ No ___

5. Is this a new rule? Yes ___ No X If yes, please provide a brief summary explaining the regulation.

Does this repeal an existing rule? Yes _____ No X If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule? Yes X No ___ If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."

6. Cite the state law that grants the authority for this proposed rule? If codified, please give Arkansas Code citation.

Arkansas Statute 20-76-201

7. What is the purpose of this proposed rule? Why is it necessary?

The purpose of the proposed rule is expanding Section 226.000 of the Dental Provider Manual to provide more in depth information and requirements for orthodontic treatment. Specifically, comprehensive orthodontic treatment will now require a score of at least 28 on the HLD index as opposed to 26. The manual also addresses specific requirements for limited orthodontic treatment. Additionally, the update includes the addition of a national best practice for Composite Resin Restorations which allows only one amalgam or composite restoration per surface allowed every 2 years.

This proposed rule is necessary to increase the medical necessity required to receive orthodontic treatment. These changes are necessary in order to reduce the number of unwarranted and impractical requests for orthodontic care. The changes also promote efficiency within the Dental program.

8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b).

<https://www.medicaid.state.ar.us/InternetSolution/general/comment/comment.aspx>

9. Will a public hearing be held on this proposed rule? Yes X No _____.
If yes, please complete the following:

Date: TBA

Time: TBA

Place: TBA

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)

May 21, 2013

11. What is the proposed effective date of this proposed rule? (Must provide a date.)

August 1, 2013

12. Do you expect this rule to be controversial? Yes X No _____. If yes, please explain.

The updated policy has more strict requirements for those seeking comprehensive orthodontic treatment; therefore, it will be more difficult for orthodontic providers to get cases approved by Medicaid.

13. Please give the names of persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known.

Medical associations, interested providers, and advocacy organizations. Their positions for or against is not known at this time.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Department of Human Services

DIVISION Division of Medical Services

PERSON COMPLETING THIS STATEMENT Lynn Burton

TELEPHONE NO. 682-2583 FAX NO. 682-3889 EMAIL: lynn.burton@arkansas.gov

To comply with Act 1104 of 1995, please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE – Dental 3-13

1. Does this proposed, amended, or repealed rule have a financial impact?
Yes X No .
2. Does this proposed, amended, or repealed rule affect small businesses?
Yes X No .

If yes, please attach a copy of the economic impact statement required to be filed with the Arkansas Economic Development Commission under Arkansas Code § 25-15-301 et seq.

3. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.
4. If the purpose of this rule is to implement a federal rule or regulation, please give the incremental cost for implementing the rule. Please indicate if the cost provided is the cost of the program.

Current Fiscal Year

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

5. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule? Identify the party subject to the proposed rule and explain how they are affected.

Current Fiscal Year (SFY 2014)

Next Fiscal Year (SFY 2015)

6. What is the total estimated cost by fiscal year to the agency to implement this rule? Is this the cost of the program or grant? Please explain.

(\$661,769) Federal
(\$281,998) State
(\$943,767) Total Savings

(\$ 717,917) Federal
(\$ 311,650) State
(\$1,029,567) Total Savings

ECONOMIC IMPACT STATEMENT
(As Required under Arkansas Code § 25-15-301)

Department: Arkansas Department of Human Services

Division: Medical Services

Person Completing this Statement: Lynn Burton

Telephone Number: 501-682-1857 **Fax Number:** 501-682-3889

EMAIL: Lynn.Burton@Arkansas.gov

Short Title of this Rule: Dental 3-13

(1) The type or types of small businesses that will be directly affected by the proposed rule, bear the cost of the proposed rule, or directly benefit from the proposed rule.

Dentists enrolled in the Medicaid Program

(2) A description of how small businesses will be adversely affected.

Dental Providers will be adversely affected. Arkansas Medicaid will implement a revision in the policy for coverage of orthodontic treatment. Beneficiaries under the age of twenty-one, will be considered for comprehensive orthodontic treatment if they score twenty-eight or more points on the Handicapping Labio-Lingual Deviation (HLD) index. Prior to the change, orthodontic cases had to score twenty-six or more points on the HLD index to be considered. Orthodontic (Diagnostic) records for denied cases will not be reimbursed if the HLD score is twenty or less for comprehensive treatment or sixteen or less when limited treatment is requested. Prior to this change, the record could be reimbursed for all denied cases.

(3) A reasonable determination of the dollar amounts the proposed rule will cost small businesses in terms of fees, administrative penalties, reporting, recordkeeping, equipment, construction labor, professional services, revenue loss, or other costs associated with compliance.

It is projected that the affected Dentists will receive an estimated \$1,029,567 less annually in Medicaid compensation after this change in reimbursement.

(4) A reasonable determination of the dollar amounts of the costs to the agency of implementing the proposed rule, as well as the financial benefit to the agency of implementing the rule.

It is projected that the Department of Human Services will realize a net annual savings of \$1,029,567 (Federal and State Amounts) after this change in reimbursement.

(5) Whether and to what extent alternative means exist for accomplishing the objectives of the proposed rule that might be less burdensome to small businesses and why such alternatives are not being proposed.

Not Applicable

(6) A comparison of the proposed rule with federal and state counterparts.

Not Applicable

Summary for Dental 3-13

Section 226.000 of the Dental Provider Manual is being expanded to provide more in depth information and requirements for orthodontic treatment. Specifically, comprehensive orthodontic treatment will now require a score of at least 28 on the HLD index as opposed to 26. The manual also addresses specific requirements for limited orthodontic treatment. Additionally, the update includes the addition of a national best practice for Composite Resin Restorations which allows only one amalgam or composite restoration per surface allowed every 2 years.