EXHIBIT D

Review of Intensive Behavioral Health Services in Arkansas Schools

SFY2026 Utilization, Expenditures, and Policy Considerations

ARKANSAS DEPARTMENT OF HUMAN SERVICES

November 2026

Purpose of the Review and Discussion

Build a shared understanding of the current system before considering changes to Medicaid-funded services in schools.

PURPOSE OF THE REVIEW	
Understand	the high-need children and youth receiving intensive behavioral health services delivered in schools.
Examine	utilization, expenditures, age, diagnosis, and geographic patterns during SFY2026.
Identify	where service delivery, school arrangements, coordination, provider continuity, and crisis response may be inconsistent.
Establish	a fact base for exploring a limited school pilot rather than making immediate systemwide changes.

Behavioral Health Continuum of Care in Arkansas

Services increase in intensity as clinical need, functional impairment, and safety risk increase.

Prevent and Treat Some Mental Health Conditions		Behavioral Needs Need More Intervention		Ensure Safety Outside a Home and Community Setting	
1 Prevention & Early Intervention	2 Outpatient Treatment	3 School-Based Supports	4 Intensive Community Supports	5 Crisis Response	6 Residential & Inpatient
Promote wellness and address needs early.	**Treat symptoms and support ongoing recovery.**	**Coordinate treatment and support in school.**	**Provide individualized support for higher needs.**	**Respond immediately and stabilize safely.**	**Provide structured care during acute episodes.**
• Community and family supports • Social-emotional learning • Early intervention	• Individual, group, and family counseling • Psychiatry and medication management • Routine outpatient care	• School-based counseling • Eligible HCBS behavioral intervention • School-family-provider coordination	• Family Centered Treatment • PASSE care coordination • Intensive behavioral health HCBS	• Mobile crisis response • Crisis stabilization and 988 • Safety planning	• Residential treatment • Psychiatric inpatient care • Transition back to community

Behavioral Health Service Spending Context

The school-related behavior intervention services reviewed in this presentation represent a substantial portion of annual spending for high-need children and youth.

GENERAL MEDICAID POPULATION

$36M

per year

Counseling services available through the Medicaid behavioral health benefit

Serves the broader Medicaid population with behavioral health treatment needs.

HIGH-NEED CHILDREN AND YOUTH IN THE PASSE

$63M

per year for counseling, HCBS, and residential behavioral intervention services

PASSE children have access to:

1. All covered counseling and crisis services
2. Additional HCBS behavioral intervention services

$38.7M Behavior intervention services provided by paraprofessionals primarily provided in schools and reviewed in this presentation

KEY CONTEXT The $38.7M school-related service subset represents approximately 61% of the $63M paid annually for behavioral health services for PASSE children.

Population and Services Examined

One-year review of HCBS behavioral health services likely delivered in school settings.

AGES	PERIOD	POPULATION	SETTING
5–18	**1 year**	**High-needs only**	**School-based**
Age on date of service	July 1, 2025–June 30, 2026	PASSE + IA 2 or higher + SED	Selected codes and modifiers

SERVICES INCLUDED IN THE REVIEW

H2015

Child & Youth Support Services

Broad support and skill building intended to help a child function successfully across home, school, and community settings.

H2017

Life Skills Development

Rehabilitative support focused on functional, adaptive, and independent-living skills, primarily for older youth.

H2019

Behavioral Assistance

Targeted, hands-on behavioral intervention and assistance addressing needs identified in the child's treatment plan.

These Services Are Limited to a High-Need PASSE Population

H2015, H2019, and H2017 are not general behavioral health services available to all Medicaid-enrolled children.

1

PASSE Enrollment

The child must be enrolled in a Provider-Led Arkansas Shared Savings Entity.

+

2

IA Level 2 or Higher

The child must have an Independent Assessment demonstrating a qualifying level of behavioral health need.

+

3

SED Diagnosis

The child must meet the applicable Serious Emotional Disturbance diagnostic criteria.

ALL THREE CONDITIONS MUST BE MET

Understanding H2015, H2019, and H2017

H2015

Child & Youth Support Services

Ages 4–20

Broad support and skill building that helps a child function successfully across home, school, and community settings.

HOW THE CODE IS USED

- Practicing coping and daily functioning skills
- Supporting treatment-plan goals in natural settings

H2017

Life Skills Development

Youth use generally ages 16–20

Rehabilitative support focused on functional, adaptive, and independent-living skills, especially for older adolescents.

HOW THE CODE IS USED

- Building community and independent-living skills
- Individual or group delivery

H2019

Behavioral Assistance

Ages 4–20

Targeted, hands-on behavioral intervention and assistance addressing needs identified in the treatment plan.

HOW THE CODE IS USED

- Implementing behavioral strategies in real time
- Reinforcing replacement and self-management skills
- Monitoring and redirecting identified behaviors

Summary of Findings

Intensive behavioral health services delivered in schools paid encounters for youth ages 5–18.

UNIQUE YOUTH

18,489

Across the selected service set

MEDICAID PAID

$38.7M

SFY2026

PAID UNITS

1.50M

Primarily 15-minute units

ESTIMATED HOURS

446K

Based on the applicable billing unit for each procedure code.

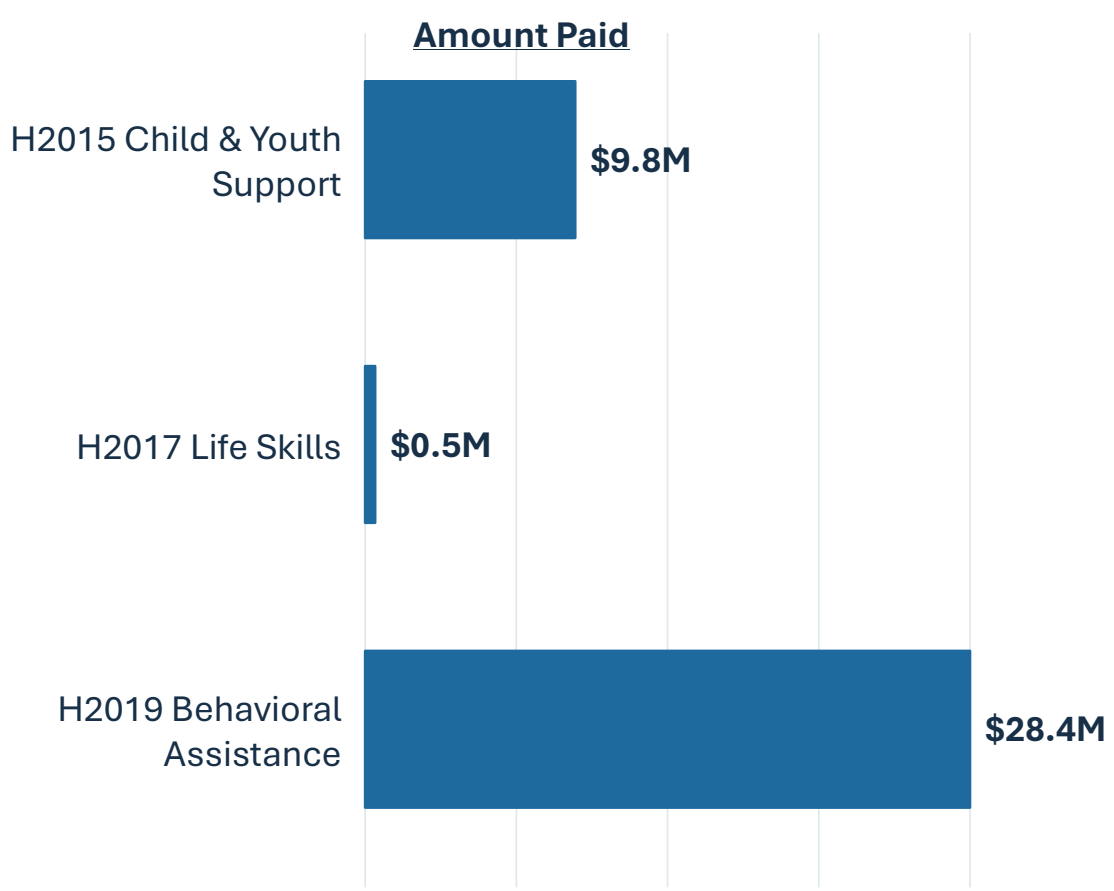
Key takeaway

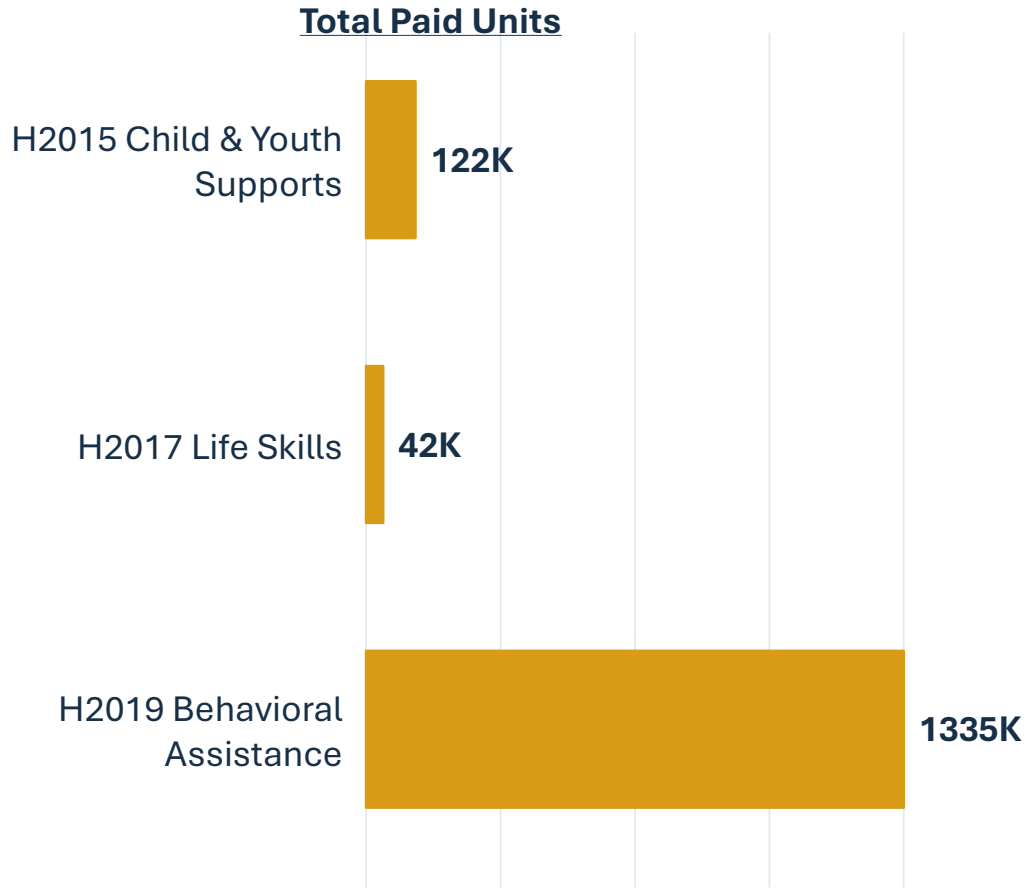
Arkansas is investing at a scale that requires clear accountability for access, intensity, coordination, outcomes, and school-provider roles.

Claims quantify volume and spending, but they do not establish whether services were clinically appropriate or effective. Outcome and coordination measures are needed before drawing that conclusion.

Behavioral Assistance Drives the Utilization and Spending Profile

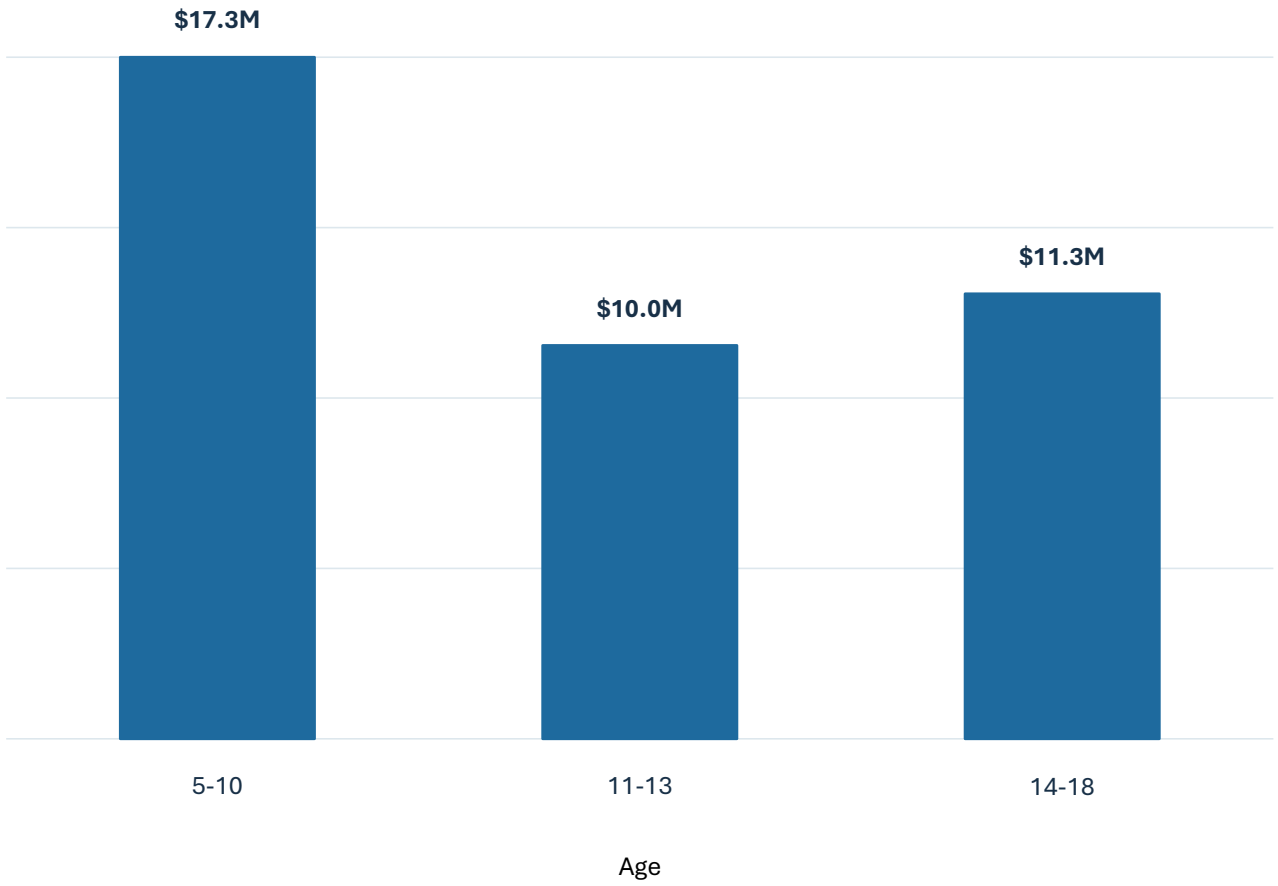
Behavioral Assistance represents the dominant share of dollars and paid units.

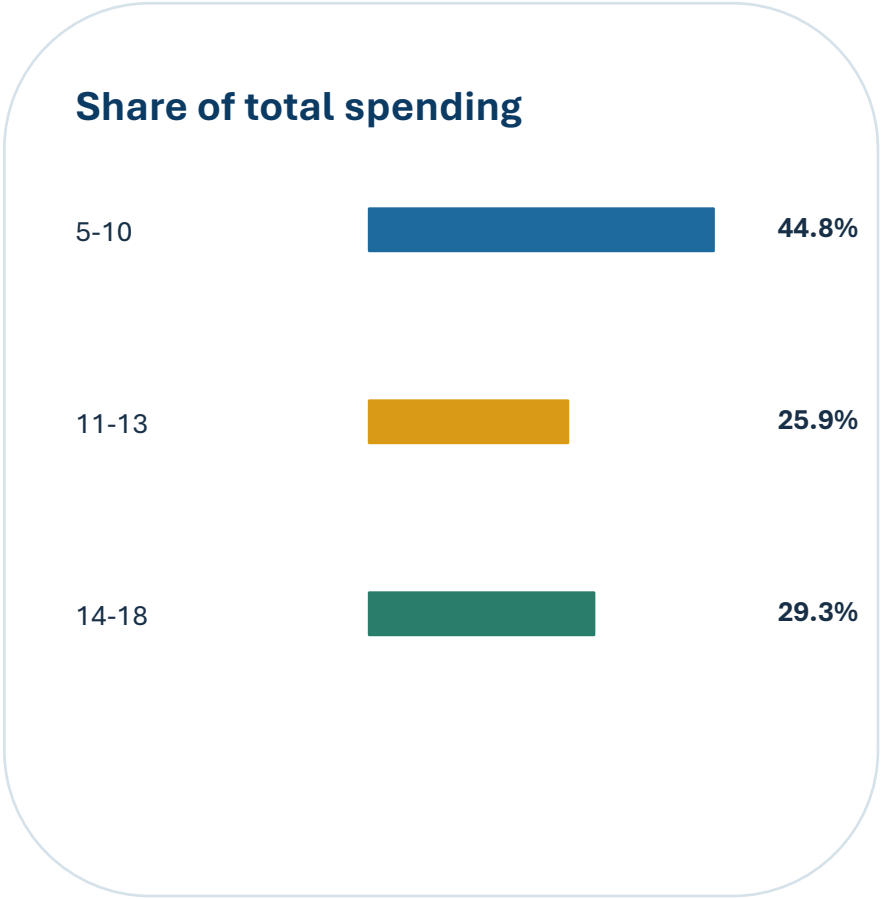




Children Ages 5–10 Account for the Largest Share of Spending

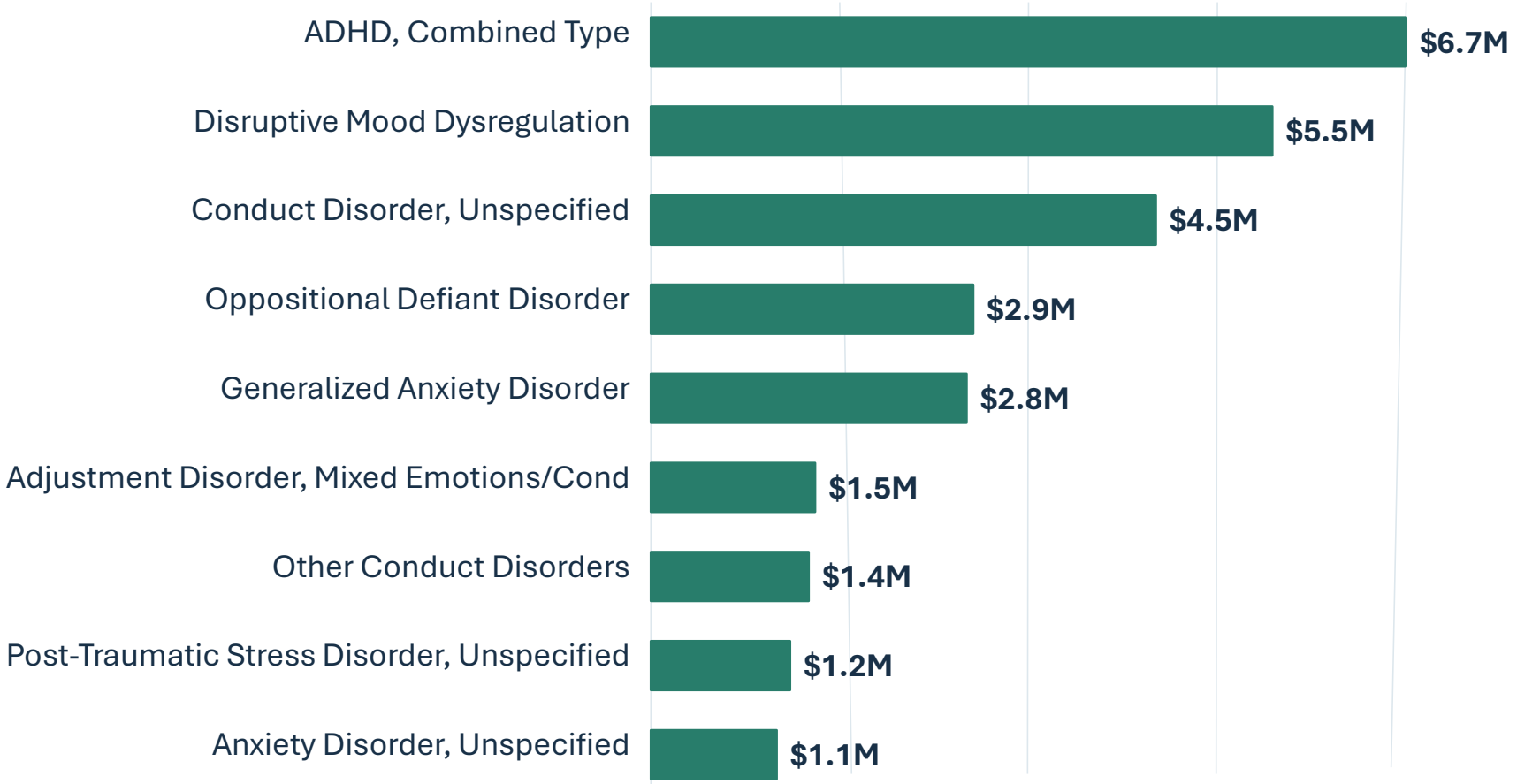
Younger children represent 45% of selected-service expenditures.



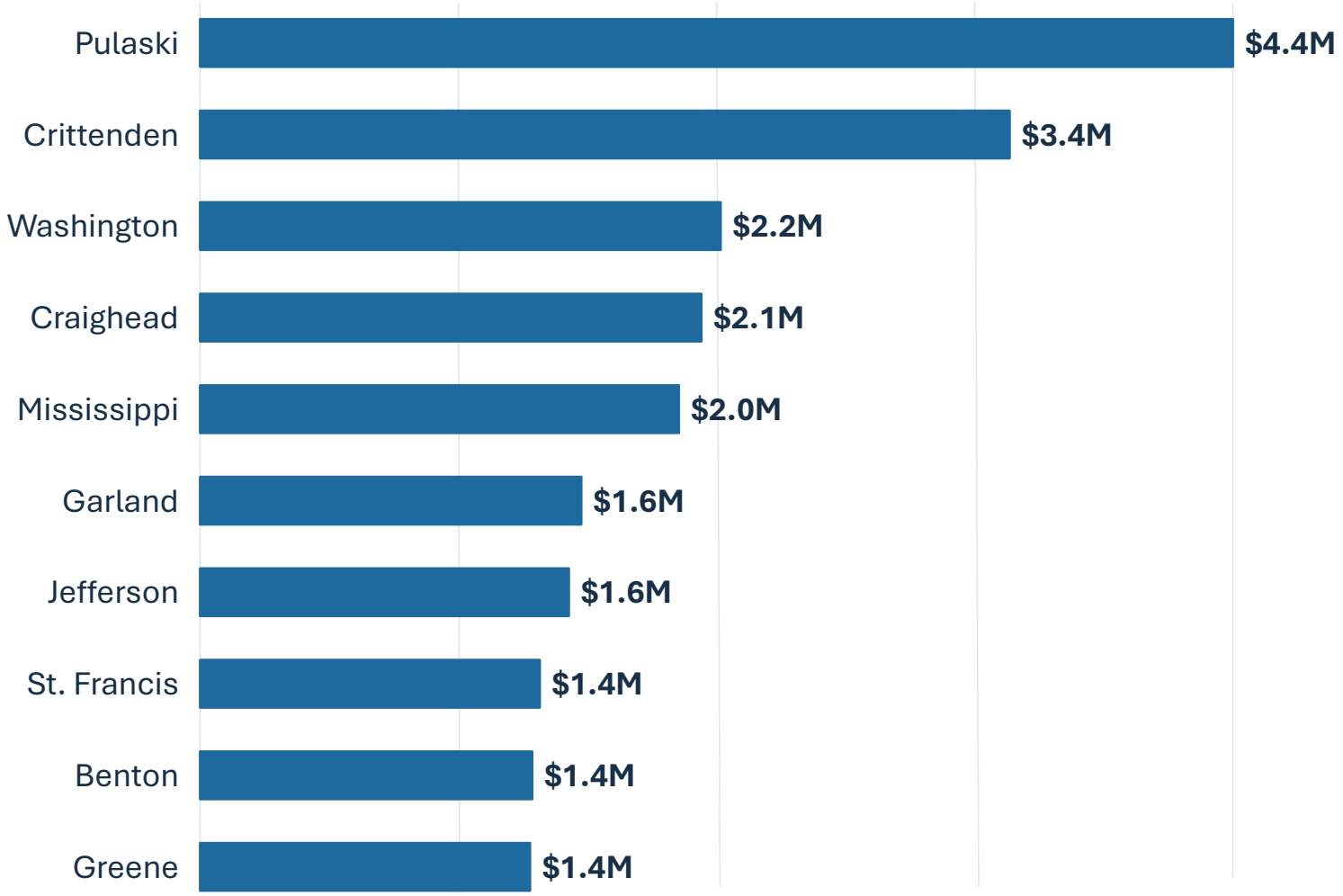


A Small Set of Diagnoses Drives Substantial Spending

Top diagnosis categories by paid amount across selected services.



Spending Is Geographically Concentrated



Higher utilization may reflect need, provider capacity, school size, or access differences.

56%

of spending in the top 10 counties