

1 State of Arkansas  
2 95th General Assembly  
3 Regular Session, 2025  
4

# A Bill

SENATE BILL 306

5 By: Senator C. Penzo  
6 By: Representative L. Johnson  
7

## For An Act To Be Entitled

8  
9 AN ACT TO REQUIRE THE DEPARTMENT OF HUMAN SERVICES TO  
10 APPLY FOR A HOME- AND COMMUNITY-BASED SERVICES WAIVER  
11 FOR THE AGING AND ELDERLY POPULATION IN THIS STATE;  
12 AND FOR OTHER PURPOSES.  
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## Subtitle

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16 TO REQUIRE THE DEPARTMENT OF HUMAN  
17 SERVICES TO APPLY FOR A HOME- AND  
18 COMMUNITY-BASED SERVICES WAIVER FOR THE  
19 AGING AND ELDERLY POPULATION IN THIS  
20 STATE.  
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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24 SECTION 1. Arkansas Code Title 20, Chapter 77, Subchapter 1, is  
25 amended to add an additional section to read as follows:

26 20-77-154. Home- and community-based services waiver for aging and  
27 elderly populations.

28 (a) The General Assembly finds that:

29 (1)(A) The waivers within the state Medicaid programs for home-  
30 and community-based services were first established by Section 2176 of the  
31 Omnibus Budget Reconciliation Act of 1981, Pub. L. No. 97-35, and were  
32 incorporated into the United States Code at section 1915(c) of the Social  
33 Security Act, 42 U.S.C. § 1396 et seq.

34 (B) The waivers for home- and community-based services  
35 allow states to provide state Medicaid services to targeted populations to  
36 avoid institutionalization by receiving comparable services in their homes or



1 communities;

2 (2)(A) The Arkansas Medicaid Program currently administers two  
3 (2) home- and community-based services under the authority of section 1915(c)  
4 of the Social Security Act, 42 U.S.C. § 1396 et seq., for Medicaid  
5 beneficiaries who are elderly or aging.

6 (B) The Arkansas Medicaid Program has not designated a  
7 comprehensive and integrated strategy to support the quickly increasing  
8 numbers of Arkansans needing services due to aging or elderly needs;

9 (3)(A) Skilled nursing facilities have always had a place in a  
10 comprehensive approach to supporting the aging and elderly population.

11 (B) However, home- and community-based services are not  
12 adequately meeting the needs of Arkansans to allow the population to age in  
13 their homes or communities before the need for a skilled nursing facility;

14 (4) Cost neutrality is a requirement under section 1915(c) of  
15 the Social Security Act, 42 U.S.C. § 1396 et seq., meaning that the average  
16 per participant cost for home- and community-based services must be no more  
17 costly than the average per person cost at a skilled nursing facility;

18 (5) However, a wide gap currently resides in both cost and  
19 service array resulting in no true alternative for a Medicaid beneficiary to  
20 receive care in his or her home or community before a skilled nursing  
21 facility is required;

22 (6) For the fiscal year 2024, the average participant cost for a  
23 skilled nursing facility was approximately one hundred two thousand four  
24 hundred eighty-two dollars (\$102,482); and

25 (7) The Arkansas Medicaid Program is not operating at cost  
26 neutrality for Medicaid beneficiaries who are aging or elderly without  
27 appropriate waivers under section 1915(c) of the Social Security Act, 42  
28 U.S.C. § 1396 et seq.

29 (b) The Department of Human Services shall apply for a waiver under  
30 the authority of section 1915(c) of the Social Security Act, 42 U.S.C. § 1396  
31 et seq., for aging and elderly populations to allow Medicaid beneficiaries to  
32 have an alternative to skilled nursing facility care.

33 (c) The department shall ensure that the average per capita  
34 expenditures estimated in a fiscal year for home- and community-based  
35 services waiver recipients does not exceed the average per capita expenditure  
36 that would have been made to provide institutional services for recipients in

1 the absence of the wavier.

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