

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



State Demonstrations Group

September 27, 2023

Lisa Lee
Commissioner, Department for Medicaid Services
Cabinet for Health and Family Services
275 East Main Street,
Frankfort, KY 40601

Dear Director Lisa Lee:

This letter is to inform you that the Centers for Medicare & Medicaid Services (CMS) has approved a temporary extension of the state's section 1115 demonstration, entitled "TeamKY" (formerly known as Kentucky Helping to Engage and Achieve Long Term Health (KY HEALTH) (Project Number 11-W-00306/4), to allow the state and CMS to continue negotiations over the state's extension application submitted on September 30, 2022. This demonstration will now expire September 30, 2024.

This letter also serves as an amendment to the demonstration to change the name of the demonstration from "KY HEALTH" to "TEAMKY", and removes the following authorities:

1. Title XIX waiver authority to relieve Kentucky of the requirement to assure non-emergency medical transportation to and from providers for all Medicaid beneficiaries to the extent the non-emergency medical transportation is for methadone treatment services,
2. Title XIX expenditure authority to enable Kentucky to align a beneficiary's annual redetermination with their employer sponsored insurance (ESI) open enrollment period, including any children enrolled in Medicaid and covered by a parent or caretaker's ESI, in a manner inconsistent with requirements under section 1943 of the Social Security Act ("the Act") as implemented in 42 CFR 435.916(a), and
3. Title XXI waiver authority to enable Kentucky to align a beneficiary's annual redetermination with their employer sponsored insurance (ESI) open enrollment period, including any children enrolled in CHIP and covered by a parent or caretaker's ESI, in a manner inconsistent with requirements under section 1943 of the Act as implemented in 42 CFR 457.343 and 42 CFR 435.916(a).

This temporary extension will not include Title XIX and Title XXI authority to align a beneficiary's annual redetermination with their ESI open enrollment period because Kentucky requested to phase-out these authorities in their extension application. Kentucky successfully completed the realignment of eligible beneficiaries' annual redetermination with ESI open enrollment date. As such, the state has established an ongoing process for currently enrolled and

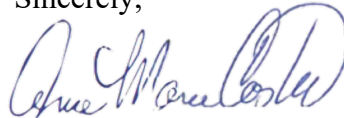
newly enrolling eligible beneficiaries and the authority is no longer needed. Through negotiations, Kentucky sought to remove its waiver of NEMT, and Kentucky will work with CMS to implement NEMT for methadone treatment through the Medicaid state plan. These authorities listed above will expire on September 30, 2023, consistent with the current Special Terms and Conditions (STCs).

CMS's approval is conditioned upon the state's continued compliance with the special terms and conditions (STC) defining the nature, character, and extent of anticipated federal involvement in the project. The current STCs, waiver, and expenditure authorities will continue to apply during the temporary extension period of this demonstration. The state's current budget neutrality agreement and per member per month amounts will continue to apply as described in the STCs, until September 30, 2024 or until the demonstration is extended, whichever is sooner.

For this temporary extension period, the state must continue to monitor its demonstration as stipulated in the current STCs. In addition, the state is required to include the temporary extension period in its demonstration evaluation. The state may choose to include the temporary extension period within its summative evaluation for the demonstration approval period beginning January 12, 2018. Alternatively, if CMS approves an extension beyond September 30, 2024, the state may choose to include this temporary extension period in the Evaluation Design and activities of the next full demonstration approval period.

Your CMS project officer for this demonstration is Ms. Valisha Andrus. She is available to answer any questions concerning your section 1115 demonstration. Ms. Andrus can be reached at valisha.andrus@cms.hhs.gov.

Sincerely,



Anne Marie Costello, Deputy Director
Center for Medicaid and CHIP Services

Enclosure

cc: Keri Toback, State Monitoring Lead, Medicaid and CHIP Operations Group