

## STATEMENT OF EMERGENCY

### 907 KAR 1:911E

(1) This emergency administrative regulation is being promulgated to repeal 907 KAR 1:013, Payments for hospital inpatient services. 907 KAR 1:013 is no longer necessary as the reimbursement methodology for inpatient hospital services is established or being established in three (3) other administration regulations. Previously, 907 KAR 1:013 established per diem hospital reimbursement provisions, diagnosis-related group (DRG) inpatient hospital reimbursement provisions and disproportionate share hospital (DSH) distributions.

907 KAR 1:815 now establishes per diem inpatient hospital reimbursement provisions, 907 KAR 1:820 establishes disproportionate share hospital distribution provisions and 907 KAR 1:825 is concurrently filed to establish diagnosis-related group (DRG) inpatient hospital reimbursement provisions.

(2) 907 KAR 1:825 must be implemented on an emergency basis, in accordance with KRS 13A.190(1)(a)1, in order to preserve the viability of inpatient hospitals providing neonatal care to ensure the adequate availability of neonatal care for Medicaid recipients. 907 KAR 1:013 must be repealed on an emergency basis in order to facilitate the filing of 907 KAR 1:825 on an emergency basis; therefore, 907 KAR 1:911 is being filed as an emergency administrative regulation in accordance with KRS 13A.190(1)(a)3.

(3) This emergency administrative regulation shall not be replaced by an ordinary administrative regulation as it repeals an administrative regulation and an ordinary regulation is not necessary for continuing effect.

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Steven L. Beshear  
Governor

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Janie Miller, Secretary  
Cabinet for Health and Family Services

1 CABINET FOR HEALTH AND FAMILY SERVICES

2 Department for Medicaid Services

3 Division of Hospital and Provider Operations

4 (Emergency Repealer)

5 907 KAR 1:911E Repeal of 907 KAR 1:013, Payments for hospital inpatient services.

6 RELATES TO: 42 U.S.C. 1396a

7 STATUTORY AUTHORITY: KRS 194A.030(2), 194A.050(1), 205.520(3)

8 NECESSITY, FUNCTION, AND CONFORMITY: The Cabinet for Health and Family  
9 Services, Department for Medicaid Services has responsibility to administer the Kentucky  
10 Medicaid Program. KRS 205.520(3) authorizes the cabinet, by administrative regulation,  
11 to comply with any requirement that may be imposed, or opportunity presented, by  
12 federal law for the provision of medical assistance to Kentucky's indigent citizenry. This  
13 administrative regulation repeals 907 KAR 1:013, Payments for hospital inpatient  
14 services, which is no longer needed because the reimbursement methodology for  
15 inpatient hospital services is established in three (3) other administration regulations. 907  
16 KAR 1:815 establishes per diem inpatient hospital reimbursement provisions, 907 KAR  
17 1:820 establishes disproportionate share hospital distribution provisions and 907 KAR  
18 1:825 establishes diagnosis-related group inpatient hospital reimbursement provisions.  
19 Section 1. 907 KAR 1:013, Payments for hospital inpatient services is hereby repealed.

907 KAR 1:911E

REVIEWED:

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Date

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Elizabeth A. Johnson, Esq., Commissioner  
Department for Medicaid Services

APPROVED:

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Date

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Janie Miller, Secretary  
Cabinet for Health and Family Services

907 KAR 1:911E

A public hearing on this administrative regulation shall, if requested, be held on August 21, 2008 at 9:00 a.m. in the Cabinet for Health and Family Services, Office of the Ombudsman's Conference Room Located on the First Floor at 1E-B; 275 East Main Street; Frankfort, Kentucky; 40621. Individuals interested in attending this hearing shall notify this agency in writing by August 14, 2008, five (5) workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. The hearing is open to the public. Any person who attends will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to attend the public hearing, you may submit written comments on the proposed administrative regulation. You may submit written comments regarding this proposed administrative regulation until close of business September 2, 2008. Send written notification of intent to attend the public hearing or written comments on the proposed administrative regulation to:

**CONTACT PERSON:** Jill Brown, Office of Legal Services, 275 East Main Street 5 W-B, Frankfort, KY 40601, (502) 564-7905, Fax: (502) 564-7573

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Administrative Regulation #: 907 KAR 1:911E  
Cabinet for Health and Family Services  
Department for Medicaid Services  
Agency Contact Person: Stuart Owen (502) 564-6204

- (1) Provide a brief summary of:
  - (a) What this administrative regulation does: This administrative regulation is being repealed.
  - (b) The necessity of this administrative regulation: This administrative regulation is being repealed.
  - (c) How this administrative regulation conforms to the content of the authorizing statutes: This administrative regulation is being repealed.
  - (d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation is being repealed.
  
- (2) If this is an amendment to an existing administrative regulation, provide a brief summary of:
  - (a) How the amendment will change this existing administrative regulation: This administrative regulation is being repealed.
  - (b) The necessity of the amendment to this administrative regulation: This administrative regulation is being repealed.
  - (c) How the amendment conforms to the content of the authorizing statutes: This administrative regulation is being repealed.
  - (d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation is being repealed.
  
- (3) List the type and number of individuals, businesses, organizations, or state and local government affected by this administrative regulation: Not applicable, this administrative regulation is being repealed.
  
- (4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:
  - (a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment. Not applicable, this administrative regulation is being repealed.
  - (b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3). Not applicable, this administrative regulation is being repealed.
  - (c) As a result of compliance, what benefits will accrue to the entities identified in question (3). Not applicable, this administrative regulation is being repealed.

- (5) Provide an estimate of how much it will cost to implement this administrative regulation:
  - (a) Initially: Not applicable, this administrative regulation is being repealed.
  - (b) On a continuing basis: Not applicable, this administrative regulation is being repealed.
- (6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: Not applicable, this administrative regulation is being repealed.
- (7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: Not applicable, this administrative regulation is being repealed.
- (8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: Not applicable, this administrative regulation is being repealed.
- (9) Tiering: Is tiering applied? (Explain why tiering was or was not used)  
This administrative regulation is being repealed.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Reg NO: 907 KAR 1:911E

Contact Person: Stuart Owen(502) 564-6204

1. Does this administrative regulation relate to any program, service, or requirements of a state or local government (including cities, counties, fire departments or school districts)?

Yes X No \_\_\_\_\_  
If yes, complete 2-4.

2. What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? Not applicable, this administrative regulation is being repealed.

3. Identify each state or federal regulation that requires or authorizes the action taken by the administrative regulation. Not applicable, this administrative regulation is being repealed.

4. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? Not applicable, this administrative regulation is being repealed.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? Not applicable, this administrative regulation is being repealed.

(c) How much will it cost to administer this program for the first year? Not applicable, this administrative regulation is being repealed.

(d) How much will it cost to administer this program for subsequent years? Not applicable, this administrative regulation is being repealed.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-): \_\_\_\_\_

Expenditures (+/-): \_\_\_\_\_

Other Explanation: No additional expenditures are necessary to implement this amendment.