

1 CABINET FOR HEALTH AND FAMILY SERVICES

2 Department for Medicaid Services

3 Division of Policy and Operations

4 (New Administrative Regulation)

5 907 KAR 15:085. Reimbursement provisions and requirements regarding outpatient  
6 chemical dependency treatment center services.

7 RELATES TO: KRS 205.520, 42 U.S.C. 1396a(a)(10)(B), 42 U.S.C. 1396a(a)(23)

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

9 NECESSITY, FUNCTION, AND CONFORMITY: The Cabinet for Health and Family  
10 Services, Department for Medicaid Services, has a responsibility to administer the Med-  
11 icaid Program. KRS 205.520(3) authorizes the cabinet, by administrative regulation, to  
12 comply with any requirement that may be imposed or opportunity presented by federal  
13 law to qualify for federal Medicaid funds. This administrative regulation establishes the  
14 reimbursement provisions and requirements regarding Medicaid Program outpatient  
15 chemical dependency treatment center services to Medicaid recipients who are not en-  
16 rolled with a managed care organization.

17 Section 1. General Requirements. For the department to reimburse for a service cov-  
18 ered under this administrative regulation, the service shall:

19 (1) Meet the requirements established in 907 KAR 15:080; and

20 (2) Be covered in accordance with 907 KAR 15:080.

1 Section 2. Reimbursement. (1)(a) A unit of service for a service listed on the CDTC  
2 Non-Medicare Services Fee Schedule shall be as established on the CDTC Non-  
3 Medicare Services Fee Schedule.

4 (b) A unit of service for a service not listed on the CDTC Non-Medicare Services Fee  
5 Schedule shall be:

6 1. Fifteen (15) minutes in length unless a different amount is established for the ser-  
7 vice in the corresponding:

- 8 a. Current procedural terminology code; or
- 9 b. Healthcare common procedure coding system code; or

10 2. The unit amount established in the corresponding:

- 11 a. Current procedural terminology code; or
- 12 b. Healthcare common procedure coding system code.

13 (2) The rate per unit for a screening or for crisis intervention shall be:

14 (a) Seventy-five (75) percent of the rate on the Kentucky-specific Medicare Physician  
15 Fee Schedule for the service if provided by a:

- 16 1. Physician; or
- 17 2. Psychiatrist;

18 (b) 63.75 percent of the rate on the Kentucky-specific Medicare Physician Fee  
19 Schedule for the service if provided by:

- 20 1. An advanced practice registered nurse; or
- 21 2. A licensed psychologist;

22 (c) Sixty (60) percent of the rate on the Kentucky-specific Medicare Physician Fee  
23 Schedule for the service if provided by a:

- 1 1. Licensed professional clinical counselor;
- 2 2. Licensed clinical social worker;
- 3 3. Licensed psychological practitioner;
- 4 4. Certified psychologist with autonomous functioning;
- 5 5. Licensed marriage and family therapist;
- 6 6. Licensed professional art therapist; or
- 7 7. Licensed clinical alcohol and drug counselor in accordance with Section 4 of this
- 8 administrative regulation; or

9 (d) Fifty-two and five-tenths (52.5) percent of the rate on the Kentucky-specific Medi-  
10 care Physician Fee Schedule for the service if provided by a:

- 11 1. Marriage and family therapy associate working under the supervision of a billing
- 12 supervisor;
- 13 2. Licensed professional counselor associate working under the supervision of a bill-
- 14 ing supervisor;
- 15 3. Licensed psychological associate working under the supervision of a board-
- 16 approved licensed psychologist;
- 17 4. Certified psychologist working under the supervision of a board-approved licensed
- 18 psychologist;
- 19 5. Certified social worker working under the supervision of a billing supervisor;
- 20 6. Physician assistant working under the supervision of a billing supervisor;
- 21 7. Licensed professional art therapist associate working under the supervision of a
- 22 billing supervisor;
- 23 8. Certified alcohol and drug counselor working under the supervision of a billing su-

1   pervisor; or

2       9. Licensed clinical alcohol and drug counselor associate:

3       a. In accordance with Section 4 of this administrative regulation; and

4       b. Working under the supervision of a billing supervisor.

5       (3) The rate per unit for an assessment shall be:

6       (a) Seventy-five (75) percent of the rate on the Kentucky-specific Medicare Physician

7   Fee Schedule for the service if provided by a:

8       1. Physician; or

9       2. Psychiatrist;

10      (b) 63.75 percent of the rate on the Kentucky-specific Medicare Physician Fee

11   Schedule for the service if provided by:

12      1. An advanced practice registered nurse; or

13      2. A licensed psychologist;

14      (c) Sixty (60) percent of the rate on the Kentucky-specific Medicare Physician Fee

15   Schedule for the service if provided by a:

16      1. Licensed professional clinical counselor;

17      2. Licensed clinical social worker;

18      3. Licensed psychological practitioner;

19      4. Certified psychologist with autonomous functioning;

20      5. Licensed marriage and family therapist;

21      6. Licensed professional art therapist;

22      7. Licensed behavior analyst; or

23      8. Licensed clinical alcohol and drug counselor in accordance with Section 4 of this

1 administrative regulation; or

2 (d) Fifty-two and five-tenths (52.5) percent of the rate on the Kentucky-specific Medi-  
3 care Physician Fee Schedule for the service if provided by a:

4 1. Marriage and family therapy associate working under the supervision of a billing  
5 supervisor;

6 2. Licensed professional counselor associate working under the supervision of a bill-  
7 ing supervisor;

8 3. Licensed psychological associate working under the supervision of a board-  
9 approved licensed psychologist;

10 4. Certified psychologist working under the supervision of a board-approved licensed  
11 psychologist;

12 5. Certified social worker working under the supervision of a billing supervisor;

13 6. Physician assistant working under the supervision of a billing supervisor;

14 7. Licensed professional art therapist associate working under the supervision of a  
15 billing supervisor;

16 8. Licensed assistant behavior analyst working under the supervision of a billing su-  
17 pervisor;

18 9. Certified alcohol and drug counselor working under the supervision of a billing su-  
19 pervisor; or

20 10. Licensed clinical alcohol and drug counselor associate:

21 a. In accordance with Section 4 of this administrative regulation; and

22 b. Working under the supervision of a billing supervisor.

23 (4) The rate per unit for psychological testing shall be:

1 (a) 63.75 percent of the rate on the Kentucky-specific Medicare Physician Fee  
2 Schedule for the service if provided by a licensed psychologist;

3 (b) Sixty (60) percent of the rate on the Kentucky-specific Medicare Physician Fee  
4 Schedule for the service if provided by a:

- 5 1. Licensed psychological practitioner; or
- 6 2. Certified psychologist with autonomous functioning;

7 (c) Fifty-two and five-tenths (52.5) percent of the rate on the Kentucky-specific Medi-  
8 care Physician Fee Schedule for the service if provided by a:

- 9 1. Licensed psychological associate working under the supervision of a board-  
10 approved licensed psychologist; or
- 11 2. Certified psychologist working under the supervision of a board-approved licensed  
12 psychologist.

13 (5) The rate per unit for individual outpatient therapy, group outpatient therapy, or col-  
14 lateral outpatient therapy shall be:

15 (a) Seventy-five (75) percent of the rate on the Kentucky-specific Medicare Physician  
16 Fee Schedule for the service if provided by a:

- 17 1. Physician; or
- 18 2. Psychiatrist;

19 (b) 63.75 percent of the rate on the Kentucky-specific Medicare Physician Fee  
20 Schedule for the service if provided by:

- 21 1. An advanced practice registered nurse; or
- 22 2. A licensed psychologist;

23 (c) Sixty (60) percent of the rate on the Kentucky-specific Medicare Physician Fee

1 Schedule for the service if provided by a:

2 1. Licensed professional clinical counselor;

3 2. Licensed clinical social worker;

4 3. Licensed psychological practitioner;

5 4. Certified psychologist with autonomous functioning;

6 5. Licensed marriage and family therapist;

7 6. Licensed professional art therapist;

8 7. Licensed behavior analyst; or

9 8. Licensed clinical and alcohol drug counselor in accordance with Section 4 of this  
10 administrative regulation; or

11 (d) Fifty-two and five-tenths (52.5) percent of the rate on the Kentucky-specific Medi-  
12 care Physician Fee Schedule for the service if provided by a:

13 1. Marriage and family therapy associate working under the supervision of a billing  
14 supervisor;

15 2. Licensed professional counselor associate working under the supervision of a bill-  
16 ing supervisor;

17 3. Licensed psychological associate working under the supervision of a board-  
18 approved licensed psychologist;

19 4. Certified psychologist working under the supervision of a board-approved licensed  
20 psychologist;

21 5. Certified social worker working under the supervision of a billing supervisor;

22 6. Physician assistant working under the supervision of a billing supervisor;

23 7. Licensed professional art therapist associate working under the supervision of a

1 billing supervisor;

2 8. Licensed assistant behavior analyst working under the supervision of a billing su-  
3 pervisor;

4 9. Certified alcohol and drug counselor working under the supervision of a billing su-  
5 pervisor; or

6 10. Licensed clinical alcohol and drug counselor associate:

7 a. In accordance with Section 4 of this administrative regulation; and

8 b. Working under the supervision of a billing supervisor.

9 (6) The rate per unit for family outpatient therapy shall be:

10 (a) Seventy-five (75) percent of the rate on the Kentucky-specific Medicare Physician  
11 Fee Schedule for the service if provided by a:

12 1. Physician; or

13 2. Psychiatrist;

14 (b) 63.75 percent of the rate on the Kentucky-specific Medicare Physician Fee

15 Schedule for the service if provided by:

16 1. An advanced practice registered nurse; or

17 2. A licensed psychologist;

18 (c) Sixty (60) percent of the rate on the Kentucky-specific Medicare Physician Fee

19 Schedule for the service if provided by a:

20 1. Licensed professional clinical counselor;

21 2. Licensed clinical social worker;

22 3. Licensed psychological practitioner;

23 4. Certified psychologist with autonomous functioning;

1        5. Licensed marriage and family therapist;

2        6. Licensed professional art therapist; or

3        7. Licensed clinical and alcohol drug counselor in accordance with Section 4 of this  
4 administrative regulation; or

5        (d) Fifty-two and five-tenths (52.5) percent of the rate on the Kentucky-specific Medi-  
6 care Physician Fee Schedule for the service if provided by a:

7            1. Marriage and family therapy associate working under the supervision of a billing  
8 supervisor;

9            2. Licensed professional counselor associate working under the supervision of a bill-  
10 ing supervisor;

11           3. Licensed psychological associate working under the supervision of a board-  
12 approved licensed psychologist;

13           4. Certified psychologist working under the supervision of a board-approved licensed  
14 psychologist;

15           5. Certified social worker working under the supervision of a billing supervisor;

16           6. Physician assistant working under the supervision of a billing supervisor;

17           7. Licensed professional art therapist associate working under the supervision of a  
18 billing supervisor;

19           8. Certified alcohol and drug counselor working under the supervision of a billing su-  
20 pervisor; or

21           9. Licensed clinical and alcohol drug counselor associate in accordance with Section  
22 4 of this administrative regulation.

23        (7) Reimbursement for the following services shall be as established on the CDTC

1 **Non-Medicare Services Fee Schedule:**

2 (a) Mobile crisis services;

3 (b) Day treatment;

4 (c) Peer support services;

5 (d) Parent or family peer support services;

6 (e) Intensive outpatient program services; or

7 (f) Screening, brief intervention, and referral to treatment.

8 (8)(a) The department shall use the current version of the Kentucky-specific Medicare  
9 Physician Fee Schedule for reimbursement purposes.

10 (b) For example, if the Kentucky-specific Medicare Physician Fee Schedule currently  
11 published and used by the Centers for Medicare and Medicaid Services for the Medi-  
12 care Program is:

13 1. An interim version, the department shall use the interim version until the final ver-  
14 sion has been published; or

15 2. A final version, the department shall use the final version.

16 (9) The department shall not reimburse for a service billed by or on behalf of an entity  
17 or individual that is not a billing provider.

18 **Section 3. Not Applicable to Managed Care Organizations.** A managed care organi-  
19 zation shall not be required to reimburse in accordance with this administrative regula-  
20 tion for a service covered pursuant to:

21 (1) 907 KAR 15:080; and

22 (2) This administrative regulation.

23 **Section 4. Federal Approval and Federal Financial Participation.** (1) The depart-

1 ment's reimbursement for services pursuant to this administrative regulation shall be  
2 contingent upon:

3 (a) Receipt of federal financial participation for the reimbursement; and

4 (b) Centers for Medicare and Medicaid Services' approval for the reimbursement.

5 (2) The reimbursement of services provided by a licensed clinical alcohol and drug  
6 counselor or licensed clinical alcohol and drug counselor associate shall be contingent  
7 and effective upon approval by the Centers for Medicare and Medicaid Services.

8 Section 5. Incorporation by Reference. (1) "CDTC Non-Medicare Services Fee  
9 Schedule", January 2015, is incorporated by reference.

10 (2) This material may be inspected, copied, or obtained, subject to applicable copy-  
11 right law:

12 (a) At the Department for Medicaid Services, 275 East Main Street, Frankfort, Ken-  
13 tucky, Monday through Friday, 8:00 a.m. to 4:30 p.m.; or

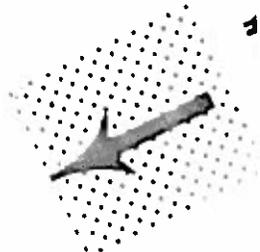
14 (b) Online at the department's Web site at  
15 <http://www.chfs.ky.gov/dms/incorporated.htm>.

907 KAR 15:085

REVIEWED:

3-3-15  
Date

Lisa Lee  
Lisa Lee, Commissioner  
Department for Medicaid Services



APPROVED:

4/10/15  
Date

Audrey Tayse Haynes  
Audrey Tayse Haynes, Secretary  
Cabinet for Health and Family Services

907 KAR 15:085

**PUBLIC HEARING AND PUBLIC COMMENT PERIOD**

A public hearing on this administrative regulation shall, if requested, be held on May 22, 2015 at 9:00 a.m. in the Health Services Auditorium, Suite B, Health Services Building, First Floor, 275 East Main Street, Frankfort, Kentucky, 40621. Individuals interested in attending this hearing shall notify this agency in writing by May 15, 2015 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 June 1, 2015. Send written notification of intent to attend the public hearing or written comments on the proposed administrative regulation to:

**CONTACT PERSON:** Tricia Orme, [tricia.orme@ky.gov](mailto:tricia.orme@ky.gov), Office of Legal Services, 275 East Main Street 5 W-B, Frankfort, KY 40601, Phone: (502) 564-7905, Fax: (502) 564-7573.

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Administrative Regulation: 907 KAR 15:085

Contact person: Stuart Owen (502) 564-4321

(1) Provide a brief summary of:

(a) What this administrative regulation does: This new administrative regulation establishes the reimbursement provisions and requirements regarding Medicaid Program outpatient chemical dependency treatment centers (CDTC) services. This administrative regulation is being promulgated in conjunction with 907 KAR 15:080 (Coverage provisions and requirements regarding outpatient chemical dependency treatment center services) and the Cabinet for Health and Family Services, Office of Inspector General's CDTC licensure administrative regulation (902 KAR 20:160). To qualify as a provider, a chemical dependency treatment center must be licensed in accordance with 902 KAR 20:160. CDTCs are authorized to provide, to Medicaid recipients, behavioral health services related to a substance use disorder. The array of services includes a screening; an assessment; crisis intervention; mobile crisis services; day treatment; peer support; parent or family peer support; intensive outpatient program services; individual outpatient therapy; group outpatient therapy; family outpatient therapy; collateral outpatient therapy; and a screening, brief intervention, and referral to treatment (SBIRT) for a substance use disorder. The Department for Medicaid Services (DMS) will reimburse a percent of Medicare (tiered based on practitioner qualifications) for services that are covered by Medicare and per a fee schedule, incorporated by reference, for services not covered by Medicare.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to comply with federal mandates. Section 1302(b)(1)(E) of the Affordable Care Act mandates that "essential health benefits" for Medicaid programs include "mental health and substance use disorder services, including behavioral health treatment" for all recipients. 42 U.S.C. 1396a(a)(23), is known as the freedom of choice of provider mandate. This federal law requires the Medicaid Program to "provide that (A) any individual eligible for medical assistance (including drugs) may obtain such assistance from any institution, agency, community pharmacy or person, qualified to perform the service or services required (including an organization which provides such services, or arranges for their availability, on a prepayment basis), who undertakes to provide him such services." 42 U.S.C. 1396a(a)(10)(B) requires the Medicaid Program to ensure that services are available to Medicaid recipients in the same amount, duration, and scope. Expanding the provider base (to include chemical dependency treatment centers) will help ensure Medicaid recipient access to services statewide and reduce or prevent the lack of availability of services due to demand exceeding supply in any given area.

(c) How this administrative regulation conforms to the content of the authorizing statutes: This administrative regulation conforms to the content of the authorizing statutes by complying with federal mandates and enhancing and ensuring Medicaid recipients' access to behavioral health services.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation will assist in the effective administration of the authorizing statutes by complying with federal mandates and en-

hancing and ensuring Medicaid recipients' access to behavioral health services.

(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 is a new administrative regulation.

(b) The necessity of the amendment to this administrative regulation: This is a new administrative regulation.

(c) How the amendment conforms to the content of the authorizing statutes: This is a new administrative regulation.

(d) How the amendment will assist in the effective administration of the statutes: This is a new administrative regulation.

(3) List the type and number of individuals, businesses, organizations, or state and local government affected by this administrative regulation: Entities licensed as chemical dependency treatment centers (CDTCs), behavioral health professionals authorized to provide services in CDTCs, and Medicaid recipients who receive services in CDTCs will be affected by the administrative regulation. The following behavioral health professionals are authorized to provide services in a CDTC: licensed psychologists, advanced practice registered nurses, licensed professional clinical counselors, licensed clinical social workers, licensed marriage and family therapists, licensed psychological practitioners, licensed psychological associates, certified social workers, licensed professional counselor associates, marriage and family therapy associates, licensed professional art therapists, licensed professional art therapist associates, certified alcohol and drug counselors, and peer support specialists. Currently, there are four (4) licensed CDTCs enrolled in Kentucky.

(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. Entities that qualify as chemical dependency treatment centers and who wish to provide services to Medicaid recipients will need to enroll with the Medicaid Program as prescribed in the Medicaid provider enrollment regulation (complete an application and submit it to DMS) and sign agreements with managed care organizations if the individual wishes to provide services to Medicaid recipients who are enrolled with a managed care organization.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3). The entities referenced in paragraph (a) could experience administrative costs associated with enrolling with the Medicaid Program.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3). The entities referenced in paragraph (a) will benefit by receiving Medicaid Program reimbursement for providing behavioral health services to Medicaid recipients. Entities licensed as CDTCs will benefit by being able to be reimbursed by the Medicaid Program for services. Behavioral health professionals authorized to provide services in

a chemical dependency treatment center will benefit by having more employment opportunities in Kentucky. Medicaid recipients in need of behavioral health services will benefit from an expanded base of providers from which to receive these services.

(5) Provide an estimate of how much it will cost to implement this administrative regulation:

(a) Initially: DMS is unable to accurately estimate the costs of expanding the behavioral health provider base due to the variables involved as DMS cannot estimate the utilization of these services in CDTCs compared to utilization in other authorized provider settings (independent behavioral health providers, community mental health centers, federally-qualified health centers, rural health clinics, and primary care centers.) However, an actuary with whom DMS contracted has estimated an average per recipient per month increase (to DMS) of twenty-seven (27) dollars associated with DMS's expansion of behavioral health services (including substance use disorder services) as well as behavioral health providers this year.

(b) On a continuing basis: The response in paragraph (a) also applies here.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: The sources of revenue to be used for implementation and enforcement of this administrative regulation are federal funds authorized under the Social Security Act, Title XIX and matching funds of general fund appropriations.

(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. Neither an increase in fees nor funding is necessary to implement this administrative regulation.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This administrative regulation neither establishes nor increases any fees.

(9) Tiering: Is tiering applied? Tiering is not applied as the policies apply equally to the regulated entities.

## FEDERAL MANDATE ANALYSIS COMPARISON

Administrative Regulation: 907 KAR 15:085  
Contact person: Stuart Owen (502) 564-4321

1. Federal statute or regulation constituting the federal mandate. Section 1302(b)(1)(E) of the Affordable Care Act, 42 U.S.C. 1396a(a)(10)(B), 42 U.S.C. 1396a(a)(23), and 42 U.S.C. 1396a(a)(30)(A).

2. State compliance standards. KRS 205.520(3) states: "Further, it is the policy of the Commonwealth to take advantage of all federal funds that may be available for medical assistance. To qualify for federal funds the secretary for health and family services may by regulation comply with any requirement that may be imposed or opportunity that may be presented by federal law. Nothing in KRS 205.510 to 205.630 is intended to limit the secretary's power in this respect."

3. Minimum or uniform standards contained in the federal mandate. Substance use disorder services are federally mandated for Medicaid programs. Section 1302(b)(1)(E) of the Affordable Care Act mandates that "essential health benefits" for Medicaid programs include "mental health and substance use disorder services, including behavioral health treatment." 42 U.S.C. 1396a(a)(23), is known as the freedom of choice of provider mandate. This federal law requires the Medicaid Program to "provide that (A) any individual eligible for medical assistance (including drugs) may obtain such assistance from any institution, agency, community pharmacy or person, qualified to perform the service or services required (including an organization which provides such services, or arranges for their availability, on a prepayment basis), who undertakes to provide him such services." Medicaid recipients enrolled with a managed care organization may be restricted to providers within the managed care organization's provider network. The Centers for Medicare and Medicaid Services (CMS) – the federal agency which oversees and provides the federal funding for Kentucky's Medicaid Program – has expressed to the Department for Medicaid Services (DMS) the need for DMS to expand its substance use disorder provider base to comport with the freedom of choice of provider requirement. 42 U.S.C. 1396a(a)(10)(B) requires the Medicaid Program to ensure that services are available to Medicaid recipients in the same amount, duration, and scope as available to other individuals (non-Medicaid.) Expanding the provider base will help ensure Medicaid recipient access to services statewide and reduce or prevent the lack of availability of services due to demand exceeding supply in any given area. Similarly, 42 U.S.C. 1396a(a)(30)(A) requires Medicaid state plans to: "...provide such methods and procedures relating to the utilization of, and the payment for, care and services available under the plan (including but not limited to utilization review plans as provided for in section 1903(i)(4)) as may be necessary to safeguard against unnecessary utilization of such care and services and to assure that payments are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area."

4. Will this administrative regulation impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate? The administrative regulation does not impose stricter than federal requirements.

5. Justification for the imposition of the stricter standard, or additional or different responsibilities or requirements. The administrative regulation does not impose stricter than federal requirements.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Administrative Regulation: 907 KAR 15:085  
Contact person: Stuart Owen (502) 564-4321

1. 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? The Department for Medicaid Services will be affected by the amendment to this administrative regulation.

2. Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 194A.030(2), 194A.050(1), 205.520(3).

3. 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? The amendment is not expected to generate revenue for state or local government.

(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? The amendment is not expected to generate revenue for state or local government.

(c) How much will it cost to administer this program for the first year? DMS is unable to accurately estimate the costs of expanding the behavioral health provider base due to the variables involved as DMS cannot estimate the utilization of these services in CDTCs compared to utilization in other authorized provider settings (independent behavioral health providers, community mental health centers, federally-qualified health centers, rural health clinics, and primary care centers. However, an actuary with whom DMS contracted has estimated an average per recipient per month increase (to DMS) of \$27.00 associated with DMS's expansion of behavioral health services (including substance use disorder services) as well as behavioral health providers this year.

(d) How much will it cost to administer this program for subsequent years? The response to question (c) also applies here.

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:

**CABINET FOR HEALTH AND FAMILY SERVICES  
DEPARTMENT FOR MEDICAID SERVICES**

**SUMMARY OF MATERIAL INCORPORATED BY REFERENCE**

**907 KAR 15:085**

The Department for Medicaid Services is incorporating by reference the "CDTC Non-Medicare Services Fee Schedule", January 2015. This one (1) page document lists the reimbursement amounts for behavioral health services covered via 907 KAR 15:085 for which no Medicare reimbursement exists.