



Commonwealth of Kentucky Office of the Governor

For Immediate Release

Media Contact: Jessica Ditto (502) 229-0420

Amanda Stamper (502) 234-8809

Gov. Matt Bevin Unveils Proposal for Medicaid Transformation

Plan focuses on better health outcomes, personal responsibility & sustainability

FRANKFORT, Ky. (June 22, 2016) – Gov. Matt Bevin today presented “Kentucky HEALTH”, a comprehensive plan to transform Kentucky’s Medicaid program, empowering individuals to improve their health and well-being while simultaneously ensuring Medicaid’s long-term fiscal sustainability in the Commonwealth.

As a first step towards the implementation of the plan, the Cabinet for Health and Family Services announced a comprehensive [Section 1115 waiver application proposal](#) for Kentucky that is “Helping to Engage and Achieve Long Term Health” (HEALTH).

“We have given the preparation of this proposed waiver the highest priority due to the health challenges confronting the Commonwealth and the unsustainability of the Medicaid program as currently constructed,” said Gov. Bevin. “This proposal is modeled after the very same health plan offered to Kentucky state employees including incentives to promote healthy lifestyles. This plan offers common sense strategies to help our citizens gain employment or prepare for employment through community engagement, including volunteer activities and job training programs.”

“I want to thank all those who have worked so hard to develop Kentucky HEALTH,” said Cabinet for Health and Family Services Secretary Vickie Yates Brown Glisson. “This is a Kentucky-driven program that moves us in the right direction toward better health outcomes, personal responsibility and fiscal sustainability of Medicaid in the Commonwealth.”

The Commonwealth faces many health challenges. Kentucky ranks 47th in the nation for median household income, second highest in the nation for smoking and first in the nation for cancer deaths and preventable hospitalizations. In addition, over one-third of Kentuckians are enrolled in Medicaid – up 68 percent since Obamacare was implemented. One in three Kentuckians are obese, workforce participation is just under 60 percent and almost 20 percent of Kentuckians live in poverty. In the midst of these poor health outcomes, Kentucky has failed to administer its managed care contracts in a financially responsible manner.



Beginning next year, the Commonwealth will be required to begin paying a portion of the costs of Medicaid for the first time, which is expected to cost taxpayers approximately \$2.2 billion for fiscal years 2017 through 2021.

The waiver proposes a comprehensive approach to transform Medicaid that includes the creation of the Kentucky HEALTH program. It also introduces innovative delivery system reforms targeting substance use disorder (SUD) and chronic disease management to improve quality and health outcomes.

Traditional Medicaid only provides health insurance coverage to beneficiaries, and is designed specifically for the disabled and other vulnerable populations. By contrast, Kentucky HEALTH is aimed at encouraging individuals to be independent and preparing them to transition to employer based coverage or other private insurance.

“As part of this administration’s continuing commitment to transparency, we are taking every step to ensure the process is open and accessible to the public,” continued Gov. Bevin. “Today marks the beginning of a 30-day public comment period in which we will be engaging the public and soliciting their feedback on this draft waiver proposal. In addition to the input we have already received from Medicaid providers, advocates, consumers and other stakeholders, we encourage Kentuckians to take advantage of the many different avenues and opportunities to provide thoughtful responses regarding the proposal we are presenting.

“Lastly, I want to thank Mark Birdwhistell for devoting his time and talents to the Commonwealth for the last six months. He has evaluated the most innovative of concepts across the country and tailored a plan that is uniquely Kentucky. We appreciate the support of the University of Kentucky for lending him to this initiative.”

To achieve maximum transparency and accessibility, a complete draft of the Kentucky HEALTH waiver proposal will be available for public review online at <http://chfs.ky.gov/kentuckyhealth> or for in-person inspection at the Cabinet for Health and Family Services, Office of the Secretary, 275 E. Main St., Frankfort, KY 40621.

Written comments regarding the Kentucky HEALTH waiver proposal may be mailed to Commissioner Stephen Miller, Department for Medicaid Services, 275 E. Main Street, Frankfort, KY 40621, or sent via electronic mail to kyhealth@ky.gov.

All comments must be received by Friday, July 22, 2016 at 5 p.m. (EST).

In addition, the Commonwealth will conduct three separate formal public hearings at the following dates and times:

1. Public Hearing 1: Western Kentucky University, Knically Conference Center Auditorium, 2355 Nashville Road, Bowling Green, KY 42101, Tuesday, June 28, 2016, 10 a.m. – noon (CST)
2. Public Hearing 2: Advisory Council for Medical Assistance (MAC) Special Meeting, Kentucky Capitol Annex, 702 Capital Avenue, Frankfort, KY 40601, Wednesday, June 29, 2016, 1 p.m. – 2 p.m. (EST)
3. Public Hearing 3: Hazard Community and Technical College Campus, Room 208, Jolly Classroom Center, 1 Community College Drive, Hazard, KY 41701, Wednesday, July 6, 2016, 11 a.m. – 1 p.m. (EST)

Following the close of the 30-day public comment period, the Commonwealth will review and summarize all public comments received on the Kentucky HEALTH proposal, and make any necessary revisions prior to submission of the final waiver proposal to the federal Centers for Medicare and Medicaid Services (CMS) for approval.

Disabilities. CHFS is one of the largest agencies in state government, with nearly 8,000 full- and part-time employees located across the Commonwealth focused on improving the lives and health of Kentuckians.