Important Update on Medicaid Co-Pays

FRANKFORT, Ky. (July 27, 2018) – Co-payments for traditional Medicaid groups (fee-for-service) have been in place for many years. The only recent change to co-payments was removing the ability for Managed Care Organizations (MCOs) to waive the co-pays outlined in the state health plan.

However, it has come to our attention that there has been inconsistent implementation of co-pays among MCOs. This has highlighted a need to suspend mandatory collection of co-pays.

While the change to co-payments was separate from Kentucky HEALTH, Kentucky HEALTH had two cost-sharing categories – a premium plan, and a co-pay plan (for people under 100% of FPL). The June 29th court ruling removed the premium category, which caused all members to fall into a co-pay plan, and not all MCOs were prepared to implement this change in the same manner.

As of Thursday, we notified the MCOs that we were suspending enforcement of co-payments, and as of Friday we are withdrawing the regulation requiring mandatory collection of co-payments. We will revisit how best to implement co-pays in the near future.

Providers who collect co-payments for fee-for-service Medicaid services should continue to collect co-payments in the same manner they have collected them to date.

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The Cabinet for Health and Family Services is home to most of the state’s human services and healthcare programs, including the Department for Medicaid Services, the Department for Community Based Services the Department for Public Health, the Department for Aging and Independent Living and the Department for Behavioral Health, Developmental and Intellectual 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.