

**Medicaid Section 1115 Substance Use Disorder Demonstrations
Monitoring Report Template**

Note: PRA Disclosure Statement to be added here

1. Title page for the state's substance use disorder (SUD) demonstration or the SUD component of the broader demonstration

The title page is a brief form that the state completed as part of its monitoring protocol. The title page will be populated with the information from the state's approved monitoring protocol. The state should complete the remaining two rows. Definitions for certain rows are below the table.

State	Kentucky
Demonstration name	KY HEALTH
Approval period for section 1115 demonstration	<i>Automatically populated with the current approval period for the section 1115 demonstration as listed in the current special terms and conditions (STC), including the start date and end date (MM/DD/YYYY – MM/DD/YYYY).</i> Start Date: 01/12/2018 End Date: 09/30/2023
SUD demonstration start date^a	<i>Automatically populated with the start date for the section 1115 SUD demonstration or SUD component if part of a broader demonstration (MM/DD/YYYY).</i> 01/12/2018
Implementation date of SUD demonstration, if different from SUD demonstration start date^b	<i>Automatically populated with the SUD demonstration implementation date (MM/DD/YYYY).</i> 07/01/2019
SUD (or if broader demonstration, then SUD - related) demonstration goals and objectives	<i>Automatically populated with the summary of the SUD (or if broader demonstration, then SUD- related) demonstration goals and objectives.</i> Effective upon CMS approval of the SUD Implementation Protocol, as described in STC
SUD demonstration year and quarter	<i>Enter the SUD demonstration year and quarter associated with this monitoring report (e.g., SUD DY1Q3 monitoring report). This should align with the reporting schedule in the state's approved monitoring protocol.</i> SUD DY 4 Q 1
Reporting period	<i>Enter calendar dates for the current reporting period (i.e., for the quarter or year) (MM/DD/YYYY – MM/DD/YYYY). This should align with the reporting schedule in the state's approved monitoring protocol.</i> Start Date: 07/01/2022 End Date: 09/30/2022

^a **SUD demonstration start date:** For monitoring purposes, CMS defines the start date of the demonstration as the *effective date* listed in the state's STCs at time of SUD demonstration approval. For example, if the state's STCs at the time of SUD demonstration approval note that the SUD demonstration is effective January 1, 2020 – December 31, 2025, the state should consider January 1, 2020 to be the start date of the SUD demonstration. Note that the effective date is considered to be the first day the state may begin its SUD demonstration. In many cases, the effective date is distinct from the approval date of a demonstration; that is, in certain cases, CMS may approve a section 1115 demonstration with an effective date that is in the future. For example, CMS may approve an extension request on December 15, 2020, with an effective date of January 1, 2021 for the new demonstration period. In many cases, the effective date also differs from the date a state begins implementing its demonstration.

^b **Implementation date of SUD demonstration:** The date the state began claiming or will begin claiming federal financial participation for services provided to individuals in institutions for mental disease.

2. Executive summary

The executive summary should be reported in the fillable box below. It is intended for summary-level information only. The recommended word count is 500 words or less.

Enter the executive summary text here.

KY Department for Medicaid Services (DMS) continued to issue DMS residential provisional certifications through DY4Q1. As of July 1, 2022 all SUD residential programs (ASAM Level 3.1 - 3.7) is required to obtain DMS Provisional Certification prior to enrolling program with DMS. Providers are then expected to obtain ASAM Level of Care (LOC) Certification prior to the end of the provisional certification period.

As of July 1, 2022, prior authorizations (PAs) were reinstated for substance use disorders (SUD) residential and inpatient services; providers and Managed Care Organizations (MCOs) were notified of this change in prior quarter.

KY continues to monitor metrics and trends. DMS begins to see more consistent trends in utilization of services for SUD with an overall continued increase in beneficiaries with SUD diagnosis receiving SUD treatment, including Medication Assisted Treatment (MAT). In addition, KY continues to evaluate the demonstration, as well as impacts beyond implementation, such as the PHE, and its impact to the demonstration and outcomes.

Furthermore during this reporting period, DMS continues collaboration with sister agencies to discuss SUD/ODU initiatives across the state and identify areas for growth and improvement, such as assessing quality of SUD treatment, opportunities for improving standardized assessment tools/processes and expanding early intervention services.

3. Narrative information on implementation, by milestone and reporting topic

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
1. Assessment of need and qualification for SUD services			
1.1 Metric trends			
1.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to assessment of need and qualification for SUD services		Metric 2: Beneficiaries who receive MAT or a SUD-related +	DY3Q3: Metric 2 experienced a quarterly average increase of 3.56%% in beneficiaries who receive MAT or a SUD-related +
1.2 Implementation update			
1.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 1.2.1.a The target population(s) of the demonstration	X		
1.2.1.b The clinical criteria (e.g., SUD diagnoses) that qualify a beneficiary for the demonstration	X		
1.2.2 The state expects to make other program changes that may affect metrics related to assessment of need and qualification for SUD services	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
2. Access to Critical Levels of Care for OUD and other SUDs (Milestone 1)			
2.1 Metric trends			
2.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 1		Metric 7, 8, 9, 10	Metric 7 experienced a quarterly average percent increase of 14.98% (more than double increase from previous +)
2.2 Implementation update			
2.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to:			
2.2.1.a Planned activities to improve access to SUD treatment services across the continuum of care for Medicaid beneficiaries (e.g., outpatient services, intensive outpatient services, medication-assisted treatment, services in intensive residential and inpatient settings, medically supervised withdrawal management)			During this reporting period, Prior Authorizations (PAs) for SUD residential and inpatient services reinstated as of July 1, 2022.
2.2.1.b SUD benefit coverage under the Medicaid state plan or the Expenditure Authority, particularly for residential treatment, medically supervised withdrawal management, and medication-assisted treatment services provided to individual IMDs	X		
2.2.2 The state expects to make other program changes that may affect metrics related to Milestone 1	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
3. Use of Evidence-based, SUD-specific Patient Placement Criteria (Milestone 2)			
3.1 Metric trends			
3.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 2	X		
3.2. Implementation update			
3.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 3.2.1.a Planned activities to improve providers' use of evidence-based, SUD-specific placement criteria			During this reporting period, DMS continued to collaborate with sister agency Dept. of Behavioral Health (DBH) and the Opioid Response Network (ORN) regarding how KY can further engage with providers around utilization of the ASAM Criteria and 
3.2.1.b Implementation of a utilization management approach to ensure (a) beneficiaries have access to SUD services at the appropriate level of care, (b) interventions are appropriate for the diagnosis and level of care, or (c) use of independent process for reviewing placement in residential treatment settings			(a) KY DMS continues to monitor monthly utilization of SUD residential services reimbursed to provisionally certified providers to ensure proper utilization and access to services at the ASAM LOC 3.1, 3.5 and 3.7. MCOs continue to receive a weekly SUD residential/inpatient provider file to the to notify MCOs of providers that have obtained ASAM LOC or DMS Provisional Certification, and what levels are provided. 
3.2.2 The state expects to make other program changes that may affect metrics related to Milestone 2	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
4. Use of Nationally Recognized SUD-specific Program Standards to Set Provider Qualifications for Residential Treatment Facilities (Milestone 3)			
4.1 Metric trends			
4.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 3 Note: There are no CMS-provided metrics related to Milestone 3. If the state did not identify any metrics for reporting this milestone, the state should indicate it has no update to report.	X		
4.2 Implementation update			
4.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 4.2.1.a Implementation of residential treatment provider qualifications that meet the ASAM Criteria or other nationally recognized, SUD-specific program standards			As of 7/1/22, all SUD residential programs (Level 3.1-3.7) are required to obtain DMS Provisional or ASAM LOC Certification prior to enrolling new programs with DMS.
4.2.1.b Review process for residential treatment providers' compliance with qualifications			During this reporting period, KY DMS continued to issue SUD residential provisional certifications with 10 new ⁺
4.2.1.c Availability of medication-assisted treatment at residential treatment facilities, either on-site or through facilitated access to services off site			The continued desk audit process mentioned in 4.2.1.b includes a review of providers attestation related to providing MAT to ensure a. the provider offers MAT, and ⁺
4.2.2 The state expects to make other program changes that may affect metrics related to Milestone 3	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
5. Sufficient Provider Capacity at Critical Levels of Care including for Medication Assisted Treatment for OUD (Milestone 4)			
5.1 Metric trends			
5.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 4	X		
5.2 Implementation update			
5.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: Planned activities to assess the availability of providers enrolled in Medicaid and accepting new patients in across the continuum of SUD care	X		
5.2.2 The state expects to make other program changes that may affect metrics related to Milestone 4	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s)	State response
6. Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and OUD (Milestone 5)			
6.1 Metric trends			
6.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 5		Metric 23	Metric 23, total number of ED visits for SUD per 1,000 beneficiaries quarterly average decreased by 9.02%; third
6.2 Implementation update			
6.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: 6.2.1.a Implementation of opioid prescribing guidelines and other interventions related to prevention of OUD			During this reporting period, Tramadol ER tab (generic for Ryzolt®) became non-preferred on the DMS PDL. DMS. Additionally, under regulation changes, DMS will allow additional dispensing fees once every 7 days for certain (SUD) drugs, which aligns with the
6.2.1.b Expansion of coverage for and access to naloxone			During this reporting period, DMS implemented and sent notification regarding the statewide Prescription Protocol
6.2.2 The state expects to make other program changes that may affect metrics related to Milestone 5	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
7. Improved Care Coordination and Transitions between Levels of Care (Milestone 6)			
7.1 Metric trends			
7.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to Milestone 6	X		
7.2 Implementation update			
7.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to: Implementation of policies supporting beneficiaries' transition from residential and inpatient facilities to community-based services and supports	X		
7.2.2 The state expects to make other program changes that may affect metrics related to Milestone 6	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
8. SUD health information technology (health IT)			
8.1 Metric trends			
8.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to its health IT metrics	X		
8.2 Implementation update			
8.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to:			
8.2.1.a How health IT is being used to slow down the rate of growth of individuals identified with SUD	X		
8.2.1.b How health IT is being used to treat effectively individuals identified with SUD	X		
8.2.1.c How health IT is being used to effectively monitor “recovery” supports and services for individuals identified with SUD			DMS continues to participate in the Cabinet for Health and Family Services (CHFS) SUD Treatment Quality and Outcome Workgroup reconvened to develop and report
8.2.1.d Other aspects of the state’s plan to develop the health IT infrastructure/capabilities at the state, delivery system, health plan/MCO, and individual provider levels	X		
8.2.1.e Other aspects of the state’s health IT implementation milestones	X		
8.2.1.f The timeline for achieving health IT implementation milestones	X		

Prompt	State has no trends/update to report (place an X)	Related metric(s) (if any)	State response
8.2.1.g Planned activities to increase use and functionality of the state's prescription drug monitoring program			During this reporting period, additional enhancements to the KASPER system were completed to include: Implementing data change enhancements through an upgrade.
8.2.2 The state expects to make other program changes that may affect metrics related to health IT	X		
9. Other SUD-related metrics			
9.1 Metric trends			
9.1.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to other SUD-related metrics		Metric 24	Metric 24, Total number of inpatient stays for SUD per 1,000 beneficiaries quarterly average decreased by 1.1%.
9.2 Implementation update			
9.2.1 The state reports the following metric trends, including all changes (+ or -) greater than 2 percent related to other SUD-related metrics	X		

4. Narrative information on other reporting topics

Prompts	State has no update to report (place an X)	State response
10. Budget neutrality		
10.1 Current status and analysis		
10.1.1 If the SUD component is part of a broader demonstration, the state should provide an analysis of the SUD-related budget neutrality and an analysis of budget neutrality as a whole. Describe the current status of budget neutrality and an analysis of the budget neutrality to date.		The reported member months for the waiver are as follows: DY1 = 1; DY2 = 74; DY3 (SUD DY1) = 14,600; DY4 (SUD DY2) = 32,100, DY5 (SUD DY3) = 40,424; DY6Q1 (SUD DY4Q1) = 7,386. Compared to previous DY's, DMS projects a decrease in member months; similarly, to with waiver spending. As noted in prior reports, there are several +
10.2 Implementation update		
10.2.1 The state expects to make other program changes that may affect budget neutrality	X	

Prompts	State has no update to report (place an X)	State response
11. SUD-related demonstration operations and policy		
11.1 Considerations		
11.1.1 The state should highlight significant SUD (or if broader demonstration, then SUD-related) demonstration operations or policy considerations that could positively or negatively affect beneficiary enrollment, access to services, timely provision of services, budget neutrality, or any other provision that has potential for beneficiary impacts. Also note any activity that may accelerate or create delays or impediments in achieving the SUD demonstration's approved goals or objectives, if not already reported elsewhere in this document. See Monitoring Report Instructions for more detail.		As mentioned in 10.1.1, KY DMS anticipates due to the PHE and additional stressors, to experience an increase in SUD services, which may also impact KY's expenditures and budget neutrality. KY continues to evaluate utilization of services and impacts related to increased access to services under the 1115, as well as policies related to the PHE. As of 7/1/22, PA were reinstated for SUD residential and inpatient services; DMS will continue to monitor utilization services to determine if there are any changes once PA's are reinstated.
11.2 Implementation update		
11.2.1 Compared to the demonstration design and operational details, the state expects to make the following changes to:	X	
11.2.1.a How the delivery system operates under the demonstration (e.g., through the managed care system or fee for service)		
11.2.1.b Delivery models affecting demonstration participants (e.g., Accountable Care Organizations, Patient Centered Medical Homes)	X	
11.2.1.c Partners involved in service delivery	X	

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[State name – Kentucky] [Demonstration name – KY HEALTH]]

Prompts	State has no update to report (place an X)	State response
11.2.2 The state experienced challenges in partnering with entities contracted to help implement the demonstration (e.g., health plans, credentialing vendors, private sector providers) and/or noted any performance issues with contracted entities	X	
11.2.3 The state is working on other initiatives related to SUD or OUD		As mentioned in 8.2.1.c, KY DMS continues to participate in the CHFS <u>SUD Quality and Outcomes Workgroup to consider standards and</u> 
11.2.4 The initiatives described above are related to the SUD or OUD demonstration (The state should note similarities and differences from the SUD demonstration)	X	

Prompts		State has no update to report (place an X)	State response
12. SUD demonstration evaluation update			
12.1 Narrative information			
12.1.1 Provide updates on SUD evaluation work and timeline. The appropriate content will depend on when this monitoring report is due to CMS and the timing for the demonstration. There are specific requirements per 42 Code of Federal Regulations (CFR) § 431.428a(10) for annual [monitoring] reports. See Monitoring Report Instructions for more details.			The Draft Interim Assessment was completed and submitted to CMS 9/30/22. NKU attended to 2 two virtual public forums during the state's public comment period prior to submitting demonstration extension request. NKU continued to conduct qualitative interviews with providers and beneficiaries using the protocols and instruments created for this evaluation; to date, 95 beneficiary interviews completed, and 48
12.1.2 Provide status updates on deliverables related to the demonstration evaluation and indicate whether the expected timelines are being met and/or if there are any real or anticipated barriers in achieving the goals and timeframes agreed to in the STCs			he Interim Assessment Final Report is due 1/31/23; these timelines are on track. The expectation is that all goals and time-frames will be achieved relative to the independent evaluation as agreed to in the STCs.
12.1.3 List anticipated evaluation-related deliverables related to this demonstration and their due dates			Future deliverables are expected to be delivered as contractually

Manifested Thence Demand and Data Dates over: Interim Assessment Final

Prompts	State has no update to report (place an X)	State response
13. Other SUD demonstration reporting		
13.1 General reporting requirements		
13.1.1 The state reports changes in its implementation of the demonstration that might necessitate a change to approved STCs, implementation plan, or monitoring protocol	X	
13.1.2 The state anticipates the need to make future changes to the STCs, implementation plan, or monitoring protocol, based on expected or upcoming implementation changes	X	
13.1.3 Compared to the demonstration design and operational details, the state expects to make the following changes to: 13.1.3.a The schedule for completing and submitting monitoring reports	X	
13.1.3.b The content or completeness of submitted monitoring reports and/or future monitoring reports	X	
13.1.4 The state identified real or anticipated issues submitting timely post-approval demonstration deliverables, including a plan for remediation	X	
13.1.5 Provide updates on the results of beneficiary satisfaction surveys, if conducted during the reporting year, including updates on grievances and appeals from beneficiaries, per 42 CFR § 431.428(a)5	X	

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[State name – Kentucky] [Demonstration name – KY HEALTH

]

Prompts	State has no update to report (place an X)	State response
13.2 Post-award public forum		
13.2.2 If applicable within the timing of the demonstration, provide a summary of the annual post-award public forum held pursuant to 42 CFR § 431.420(c) indicating any resulting action items or issues. A summary of the post-award public forum must be included here for the period during which the forum was held and in the annual monitoring report.		KY DMS submitted an 1115 Demonstration Extension request to CMS on 9/30/22. Prior to submission, DMS conducted a 30 day public comment period during which time, two virtual public forums in accordance with 42 CFR § 431.408 (3) were held: August 25, 2022 from 11:00AM-12:00PM EST (15 attendees) and August 30, 2022 (25 attendees) from 3:00PM-4:00PM EST. The public forum notice was 

Prompts	State has no update to report (place an X)	State response
14. Notable state achievements and/or innovations		
14.1 Narrative information		
14.1.1 Provide any relevant summary of achievements and/or innovations in demonstration enrollment, benefits, operations, and policies pursuant to the hypotheses of the SUD (or if broader demonstration, then SUD related) demonstration or that served to provide better care for individuals, better health for populations, and/or reduce per capita cost. Achievements should focus on significant impacts to beneficiary outcomes. Whenever possible, the summary should describe the achievement or innovation in quantifiable terms, e.g., number of impacted beneficiaries.		During this reporting period, DMS drafted and submitted an 1115 Demonstration (including SUD 1115) Extension request to CMS. Prior to submission, DMS collaborated with sister agencies and stakeholders for feedback. Additionally, DMS conducted a public comment period and two virtual public forums according to 42 CFR § 431.408 prior to submission to CMS. DMS Provisional and ASAM LOC certified programs are eligible to receive reimbursement beyond 16 beds, up to 96 beds per location (outlined in implementation plan updated in November 2019); as well as an enhanced residential reimbursement. Through this reporting period, 100 SUD residential programs have obtained ASAM LOC Certification⁺

*The state should remove all example text from the table prior to submission.

Note: Licensee and states must prominently display the following notice on any display of Measure rates:

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