

**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 5 Q 3
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: 01/01/2024 End Date: 03/31/2024

^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.

DY5Q3 Summary:

KY Department for Medicaid Services (DMS) received a temporary extension through 9/30/24 to the state's Section 1115 Demonstration. KY continues to work CMS to determine next steps to implementation during the extension period and any needed changes or monitoring and/or evaluation.

DMS continued to issue DMS residential provisional certifications through this reporting period; an additional 7 provisional certifications were approved this reporting period; this includes new programs as well as established programs adding additional levels of care.

The regulations filed in DY4Q4 that included additional Behavioral Health Practitioner types (i.e. Behavioral Health Associate) to assist with addressing workforce shortages in the BH field was "deferred" during this measurement period. KY DMS continues to have discussions with KY Licensure Boards and Advocacy Groups to ensure BHAs have the appropriate education and training to begin providing services to beneficiaries; KY is exploring changes to the policy such as narrowing scope of services, etc.

Due to claims lag and approved protocols, KY is reporting DY5Q1 metrics. KY has noted increases in ED visits per 1,000 beneficiaries for the third consecutive quarter; KY continues to monitor and discuss factors for these increases. KY also noted changes in budget neutrality as the member months continue to significantly decrease; KY is review calculations and policy changes to determine cause(s) and should changes need to be made.

During this measurement period, KY DMS continued to collaborate with statewide agencies to discuss SUD/ODU initiatives such as assessing quality of SUD treatment, overdose prevention and implementation of the Behavioral Health Conditional Dismissal Program, and legislative initiatives related to recovery housing and support services.

Per discussions with CMS, the requested "Recovery Residence Support Service (RRSS)" included in KY's 12/30/23 amendment request would fall under the SUD Extension authority if approved. KY is moving forward with implementing RRSS under the Behavioral Health Conditional Dismissal Program with state funds, with anticipated Go Live July 2024. RRSS will expand essential supports for individuals with SUD in Recovery Residence that meet standards, vital to



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 -3	DY5Q1: Metric 2 experienced a quarterly decrease by 2.8% 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 6-7, 9, 11	DY5Q1: Metric 6, beneficiaries enrolled and receiving in SUD treatment saw a decrease by 2.88%; first decrease +
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)			DY5Q3: Regulations to support approved 2023 SPA for coverage of additional Behavioral Health Practitioners (i.e. Behavioral Health Associate) as an effort to address workforce shortages and relative challenges as need for services and access to increases, while workforce continues to be a barrier were "deferred" during this measurement period due to concerns from KY's licensure boards and advocacy groups to align on amendments critical to ensure individuals obtain proper education, training and supervision as they work toward advanced +
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			DY5Q3: During this measurement period, KY continued to collaborate with state partners in early stages of reviewing the 4th Edition of the ASAM Criteria and impacts to current state regulations, standards, etc. DMS is encouraging providers to become familiar with the new Criteria and will issue guidance in the upcoming quarter +
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	X		
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			DY5Q3: (a) Managed Care Organizations (MCOs) continued to receive a weekly SUD residential/inpatient provider file with notification of providers that have obtained ASAM LOC or DMS Provisional Certification, and what levels are provided. (b) KY DMS continued to verify providers are utilizing a six multi-dimensional assessment tool to determine +
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			DY5Q3: During this measurement period, KY continued to collaborate with state partners in early stages of reviewing the 4th Edition of the ASAM Criteria and impacts to current state regulations, standards, etc. For instance, KY is reviewing the changes in minimal hours of programming at residential LOCs and impacts to existing programs and determining what training and support +
4.2.1.b Review process for residential treatment providers' compliance with qualifications			DY5Q3:The state continues to review the KY DMS Provisional Residential LOC Certification process and +
4.2.1.c Availability of medication-assisted treatment at residential treatment facilities, either on-site or through facilitated access to services off site	X		
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	DY5Q1: KY saw a 3.97% increase in ED visits per 1,000 beneficiaries; the third quarterly increase which does not +
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	X		
6.2.1.b Expansion of coverage for and access to naloxone	X		
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	X		
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			DY5Q3: KY continues to increase access to controlled prescription information in Electronic Health Records through V A C N E D integration to enhance clinical
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	X		
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.		KY has noted significant decreases in member month utilization in DY7Q1 and Q2 (SUD DY5Q1 and Q2), totaling 8,241 for the two quarters and trending toward a 75% reduction for the DY. KY is currently reviewing factors to ensure due to staffing changes member months is being calculated correctly, as well as exploring policy changes.
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.		DY5Q3: During this reporting period and review of KY's Amendment submitted to CMS on 12/30/23; it was determined the requested "Recovery Residence Support Service (RRSS)" for individuals with SUD participating in KY's Behavioral Health Conditional Dismissal Program and Reentry Demo would fall under the SUD Extension. RRSS will further support KY's SUD Continuum of Care and supports necessary for individuals to obtain and sustain long-term recovery.
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	

Medicaid Section 1115 SUD Demonstrations Monitoring Report – Part B Version 4.0

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

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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		DY5Q3: KY DMS continues to partner in planning implementation of <u>Senate Bill 00: Behavioral Health Conditional Reimbursement</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)		DY5Q:3 As mentioned in 11.1.1 and 11.2.3, the request to reimburse for the RRSS will expand support services under the Demonstration for the targeted populations noted.

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.			DY5Q3: During this quarter, evaluation efforts included: Updated the assessment with new data; Data cleaning and testing of refreshed claims data set; Qualitative data collection, attribute assignment, cleaning transcription; analysis of both claims and qualitative data sets; expanded the interrupted time series analysis (ITS) statistical tests on the impact of the Demonstration; analyzed data for overdose deaths for Medicaid beneficiaries; and drafted report sections +
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			DY5Q3: 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			DY5Q3: Future deliverables are expected to be delivered as contractually specified. Final Summative Evaluation Report due 6/30/24 +

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		DY5Q2: KY will continue to work with CMS and monitor future implementation plan and monitoring protocols required should KY receive extension beyond 9/30/24.
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	

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.	X	

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.		DY5Q1: As mentioned in Section 13, KY received a temporary extension to its Section 1115 Demonstration; KY will continue to work with CMS regarding next steps and posted appropriate materials on the DMS website for public notification. DMS hosted CMS in September for a on-site visit with DMS and state partners to discuss statewide provisions and outcomes.

*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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