



Medicaid and CHIP Operations Group

February 8, 2022

Lisa Lee
Commissioner
Kentucky Department for Medicaid Services
275 East Main Street, 6WA
Frankfort, KY 40621-0001

Re: KY Managed Care Plan Contract Actions Approval

Dear Commissioner Lee:

The Centers for Medicare & Medicaid Services (CMS) completed review of Kentucky’s MCO contract actions submitted on December 4, 2020 and March 31, 2021 that update the state’s MCO contracts with six Managed Care Organizations (MCOs), consistent with the corresponding Calendar Year (CY) 2021 rate certifications.

We conducted our review of the contract actions according to statutory requirements of Title XIX of the Social Security Act and implementing Federal regulations. This letter is to inform you that the managed care plan contract actions shown in the table below are approved.

Contract Name/Contractor	State Contract Identifier	State Contract Action Identifier for Approved/Validated Contract Action	Effective Start and End Dates for Approved/Validated Contract Action
<i>Humana Health Plan, Inc.</i>	<i>MA 758 2000000681</i>	<i>Version 1</i>	<i>01/01/21 – 12/31/24</i>
		<i>Version 2</i>	<i>01/01/21 – 12/31/24</i>
<i>Aetna Better Health of KY</i>	<i>MA 758 2000000680</i>	<i>Version 1</i>	<i>01/01/21 – 12/31/24</i>
		<i>Version 2</i>	<i>01/01/21 – 12/31/24</i>
<i>WellCare Health Insurance Company of KY, Inc.</i>	<i>MA 758 2000000679</i>	<i>Version 1</i>	<i>01/01/21 – 12/31/24</i>
		<i>Version 2</i>	<i>01/01/21 – 12/31/24</i>
<i>Anthem KY Managed Care Plan, Inc.</i>	<i>MA 758 2000000682</i>	<i>Version 1</i>	<i>01/01/21 – 12/31/24</i>
		<i>Version 2</i>	<i>01/01/21 – 12/31/24</i>
<i>Molina Healthcare of Kentucky</i>	<i>MA 758 2000000677</i>	<i>Version 1</i>	<i>01/01/21 – 12/31/24</i>
		<i>Version 2</i>	<i>01/01/21 – 12/31/24</i>

<i>United Health Care of Kentucky, Ltd. d/b/a UnitedHealthcare Community Plan of Kentucky</i>	<i>MA 758 2000000678</i>	<i>Version 1</i>	<i>01/01/21 – 12/31/24</i>
		<i>Version 2</i>	<i>01/01/21 – 12/31/24</i>

CMS approval pertains to the contract actions identified in this letter and does not apply to other contract actions currently under CMS review or not yet submitted to CMS. This letter confirms state compliance with provisions of the May 6, 2016 managed care final rule only to the extent that final rule provisions are specifically articulated in the contract actions identified in this letter.

CMS has determined Medicaid rates, effective January 1, 2021 to December 31, 2021 (actuarial certification dated December 21, 2020), to be actuarially sound in accordance with 42 CFR 438.4(b). CMS has also determined the capitation rates to be actuarially sound for an amendment to the actuarial certification for the period of January 1, 2021 through December 31, 2021 (amendment dated February 8, 2021, revising the 42 CFR 438.6(c) Preprints uniform payment amounts for hospitals in accordance with the approved 42 CFR 438.6(c) Preprints). The capitation rates appear to have been set consistently with generally accepted actuarial practices and principles and can be reasonably expected to cover all reasonable, appropriate, and attainable costs for the KY MCO program acknowledging the uncertainty of the COVID-19 pandemic. In order to help expedite the review of future actuarial rate certifications, please consider addressing the questions asked by the Office of the Actuary within the rate certification, particularly those where additional documentation or information provided in a different manner would facilitate future reviews.

The 42 CFR 438.6(c) delivery system and provider payment initiatives implemented by this contract action are approved for the managed care contract rating period specified in the related Section 438.6(c) Preprint approved by CMS per 42 CFR 438.6(c)(2).

The CMS control number for rate certification Kentucky_MMC_20210101-20211231_Certification_20201221 proposes one or more risk mitigation strategies. The state provided CMS with contract documentation on December 21, 2020 and rate certification documentation on December 20, 2020. Submission of documentation of the final risk mitigation arrangements prior to the start of the rating period, even though contract and rate certification documents had not been fully executed, meets the regulatory standard of documenting those arrangements to CMS in the contract and rate certification documents for the rating period prior to the start of the rating period. CMS has compared these submissions to the final contract and rate certification documents, and no changes were made to these arrangements after the start of the rating period.

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If you have questions regarding this letter please contact, Melanie Benning at 404-562-7414 or via email at Melanie.Benning@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink that reads "Bill Brooks". The signature is written in a cursive, slightly slanted style.

Bill Brooks

Director

Division of Managed Care Operations

cc: Angie Parker, Program Quality and Outcomes, KY Department for Medicaid Services

bcc: Mara Siler-Price, Division of Managed Care Operations, CMS
DMCPRates@cms.hhs.gov