



CABINET FOR HEALTH
AND FAMILY SERVICES

Medicaid Reconnect Tour

September-October 2024

Welcome

Medicaid Overview

Medicaid's Impact on Rural Health

School-Based Services

Medicaid Re-Entry

Recent Accomplishments & Highlights

Member Renewals & Eligibility

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LISA LEE

Commissioner of the Department for Medicaid Services

Commissioner Lisa Lee is a long-time DMS employee, and the longest serving Kentucky Medicaid Commissioner. She first began her career with the department as a call center employee. During her tenure as the Kentucky Children's Health Insurance Program director, she worked to lower the uninsured rate of children. Lisa is focused on improving the health of Medicaid members through increasing access and quality services. A native of Hazard, she is the youngest of 13 siblings.



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Kentucky Medicaid at a Glance

Approximately 1.4 million members

Over 600,000 children – more than half of the children in Kentucky

485,000 expansion members

Over 69,000 enrolled providers

\$16.5 billion in total SFY 2023 expenditures (Administrative and Benefits combined)

MEDICAID POPULATIONS

FFS

- Long-term care
- Program of All-Inclusive Care for the Elderly (PACE)
- Home and Community Based (HCB) 1915(c) waivers
- Intellectual or developmental disabilities
- Receive supports to remain in their home or community
 - Personal care supports
 - Activities of daily living

MCO

- Predominantly children and adults other than elderly or individuals with disabilities
- Must cover all services outlined in Medicaid regulations and state plan
- Can negotiate rates with providers
- Flexibilities to deliver value-added services
- Some provide transportation to job interviews, educational classes or other services not covered under Medicaid NEMT

MANAGED CARE CONTRACTORS

Aetna - also has contract to serve foster children

Anthem

Humana

Passport by Molina

United

WellCare

Kentucky's 1915(c) HCBS Waivers

ABI & ABI LTC: For individuals age 18 or older with an acquired brain injury

Acquired
Brain Injury
(ABI)

Acquired
Brain Injury
Long Term
Care
(ABI LTC)

HCB: For individuals age 65 and older or individuals of any age with a physical disability

Home and
Community
Based
(HCB)

Model II
Waiver
(MIIW)

MIIW: For individuals dependent on a ventilator 12 or more hours a day or on an active, physician monitored weaning program

Michelle
P. Waiver
(MPW)

Supports for
Community
Living (SCL)

MPW & SCL: For individuals with intellectual or developmental disabilities

Medicaid is a
STATE and FEDERAL partnership
authorized by TITLE XIX of the 1965
Social Security Act.

Medicaid was signed into law
JULY 30, 1965 by President
Lyndon B. Johnson.

Additional POPULATIONS have
been added to the program as
Medicaid evolved.



Evolution of Medicaid

- 1972 Elderly and disabled receiving Supplemental Security Income (SSI) added
- 1981 Home and Community Based Waivers (HCBS) created
- 1984 Children and pregnant women become mandatory groups – FPL undefined
- 1989 Children under age 6 and at 133% of FPL federally mandated under Medicaid (KY covers pregnant women at or below 185% of FPL);
- 1997 Balanced Budget Act of 1997 created the State Children’s Health Insurance Program (SCHIP) – KCHIP children cannot have other insurance and are covered up to 200% of FPL
- 2010 Affordable Care Act (ACA) created option for states to cover adults up to 138% of FPL
- 2010 ACA mandates Former Foster Youth coverage to age 26
- 2014 Kentucky Expanded Medicaid to the ACA adult population
- 2014 Created Kentucky’s State-Based Exchange, kynect

Medicaid Expansion's Impact on Rural Health

MEDICAID EXPANSION POPULATION

- ✓ Between the ages of 19 and 65
(not including age 65)
- ✓ Not receiving Medicare
- ✓ Income up to 138% of FPL
(\$20,783 for 1 person)



Impact of Medicaid expansion: Increased coverage



2.5x increase in number of individuals in Kentucky that were enrolled in Medicaid (both rural and metro)¹ post-expansion:

Pre-ACA monthly average: 606,805 enrollees
Total enrollees December 2023: 1,500,588

¹Kaiser Family Foundation data

Impact of Medicaid expansion: Access to Care

3x increase in Medicaid paneled providers operating in rural areas:

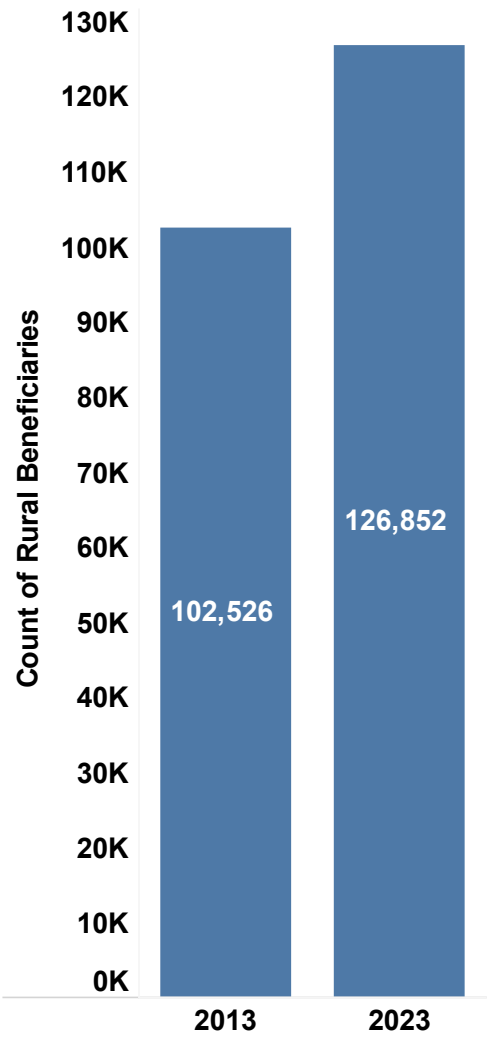
2013: 6,209 total Medicaid providers

2023: 19,317 total Medicaid providers



Number of Rural Medicaid Paneled Providers				
	Physicians	Nurses	Dentists	Others
2013	2518	1213	338	2140
2023	5532	4522	586	8677
Percent Increase from 2013 to 2023	120%	273%	74%	305%

Impact of Medicaid expansion: Well-child visits



24% increase in number of children receiving well-child visits from 2013 to 2023 for **rural beneficiaries**



Impact of Medicaid expansion: Diabetes

151,386 total rural beneficiaries screened for diabetes in 2023

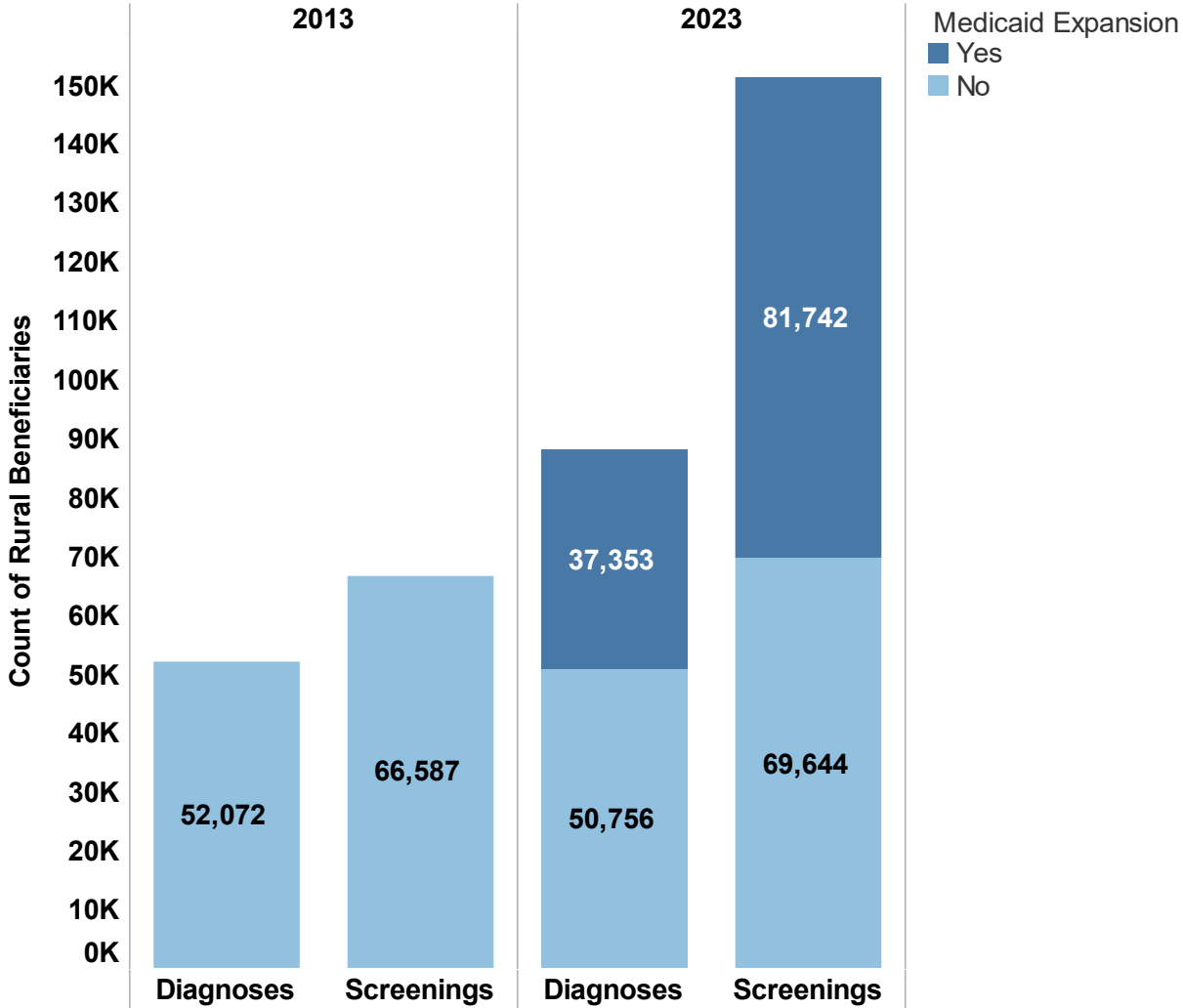
2.3x increase in rural beneficiaries receiving diabetes screenings from 2013 to 2023

53% of all screenings in 2023 are in the Medicaid expansion population

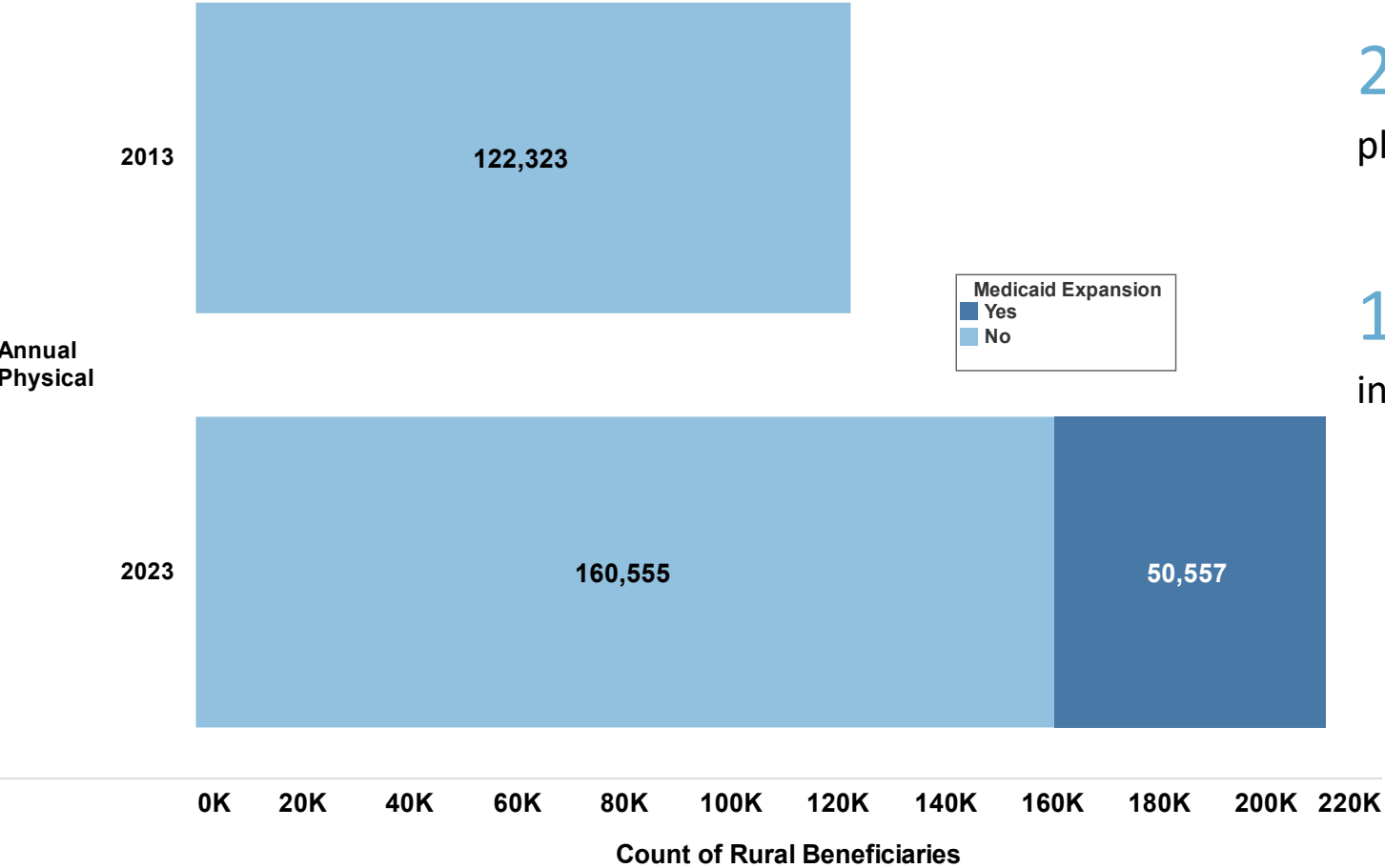
88,109 total rural beneficiaries with diabetes in 2023

1.7x increase in beneficiaries with a diabetes diagnosis from 2013 to 2023

*Diabetes diagnoses increased partly because screenings increased



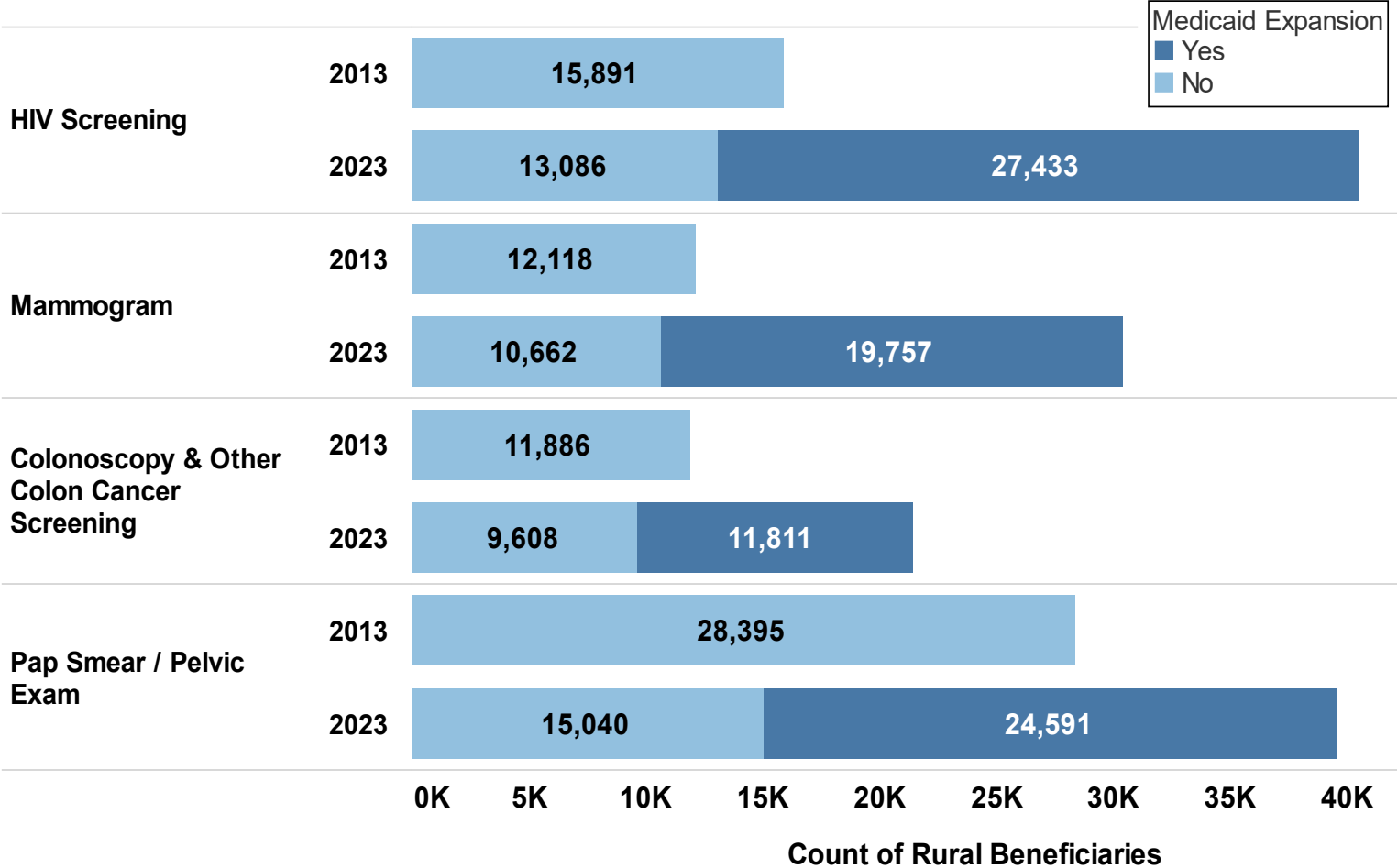
Impact of Medicaid expansion: Preventative services - Physicals



211,112 total rural beneficiaries had an annual physical in 2023

1.7x more beneficiaries received annual physicals in 2023 compared to 2013

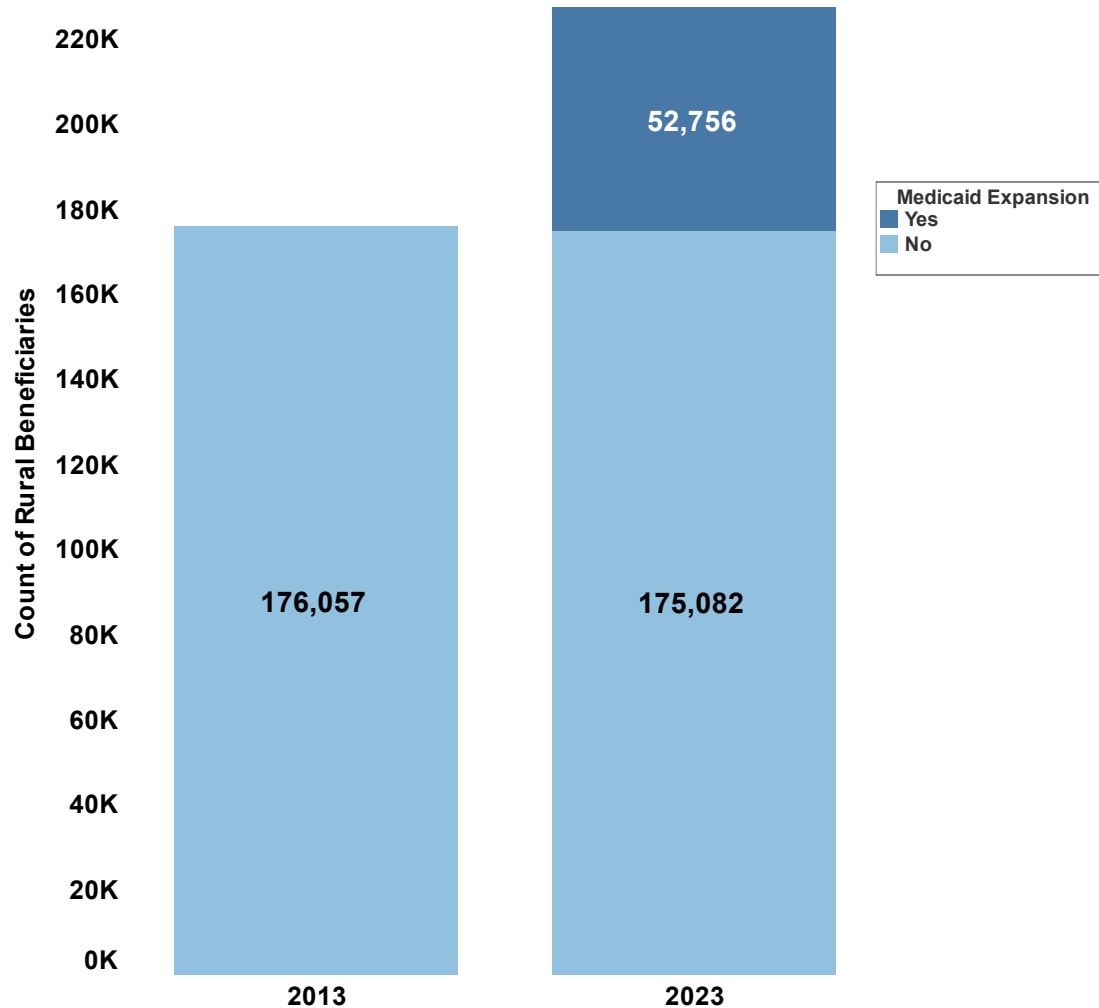
Impact of Medicaid expansion: Preventative services - Medical



Utilization of all preventative medical services **increased** from 2013 to 2023

2x increase in rural beneficiaries screened for breast cancer, colon cancer, and HIV from 2013 to 2023

Impact of Medicaid expansion: Preventative services - Dental



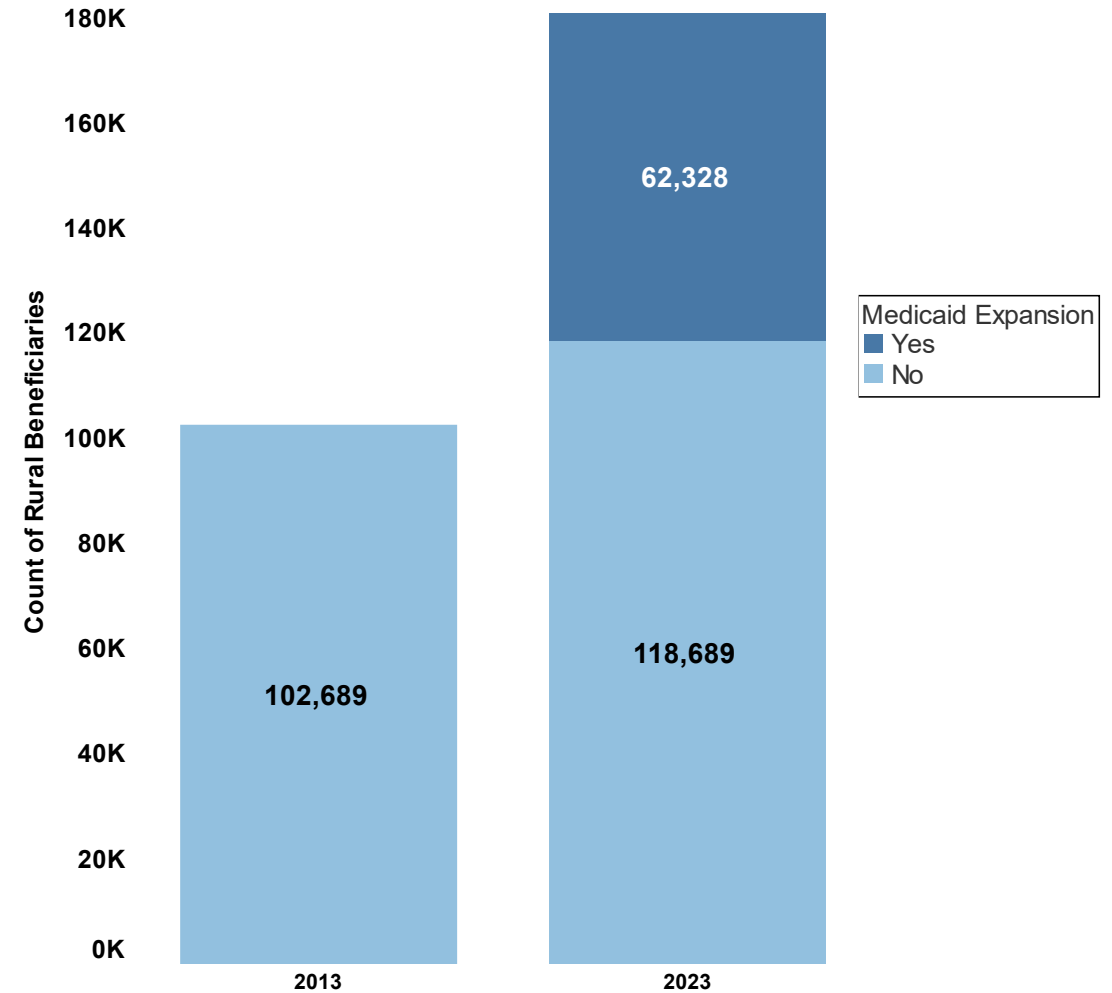
227,838 rural beneficiaries utilized preventative dental services in 2023

1.3x more beneficiaries received dental services in 2023 compared to 2013

Impact of Medicaid expansion: Preventative services - Vision

181,017 rural beneficiaries utilized preventative vision services in 2023

1.8x increase in rural beneficiaries that received vision services in 2023 compared to 2013



Medicaid's Impact on Rural Hospitals

Medicaid expansion is keeping rural hospitals afloat nationwide

From 2013-2015, rural hospitals in expansion states compared to rural hospitals in non-expansion states experienced:

\$2M Increased annual revenue, on average

27 %pt* Reduced uncompensated care costs

4 %pt* Increased operating margins



*%pt is short for “percentage point” which is the difference between two percent values

During COVID-19, Medicaid expansion continued to support rural hospitals

As of 2021, 2 out of every 3 rural hospitals in the U.S. are in expansion states

Rural hospitals received federal relief funds during the pandemic, which bolstered financial performance

Even with relief funding, rural hospitals in expansion states have higher operating margins than rural hospitals in non-expansion states

Rural hospitals in expansion states are better positioned to handle future financial challenges

Median operating margins in rural hospitals		
	Expansion States	Non-expansion States
July 2017- June 2019	1.3%	0.6%
July 2021-June 2022	3.9%	2.1%

References:
Levinson et al. 2023. Rural Hospitals Face Renewed Financial Challenges, Especially in States that Have Not Expanded Medicaid. [KFF Health Costs](#)

Rural Kentucky hospitals rely on Medicaid

1,169,598 total patients seen by rural hospitals in 2023 ,
which represents **25% of Kentucky's population**

\$24.5B charged by rural hospitals

1/3 of the patients seen by rural hospitals were covered by
Medicaid

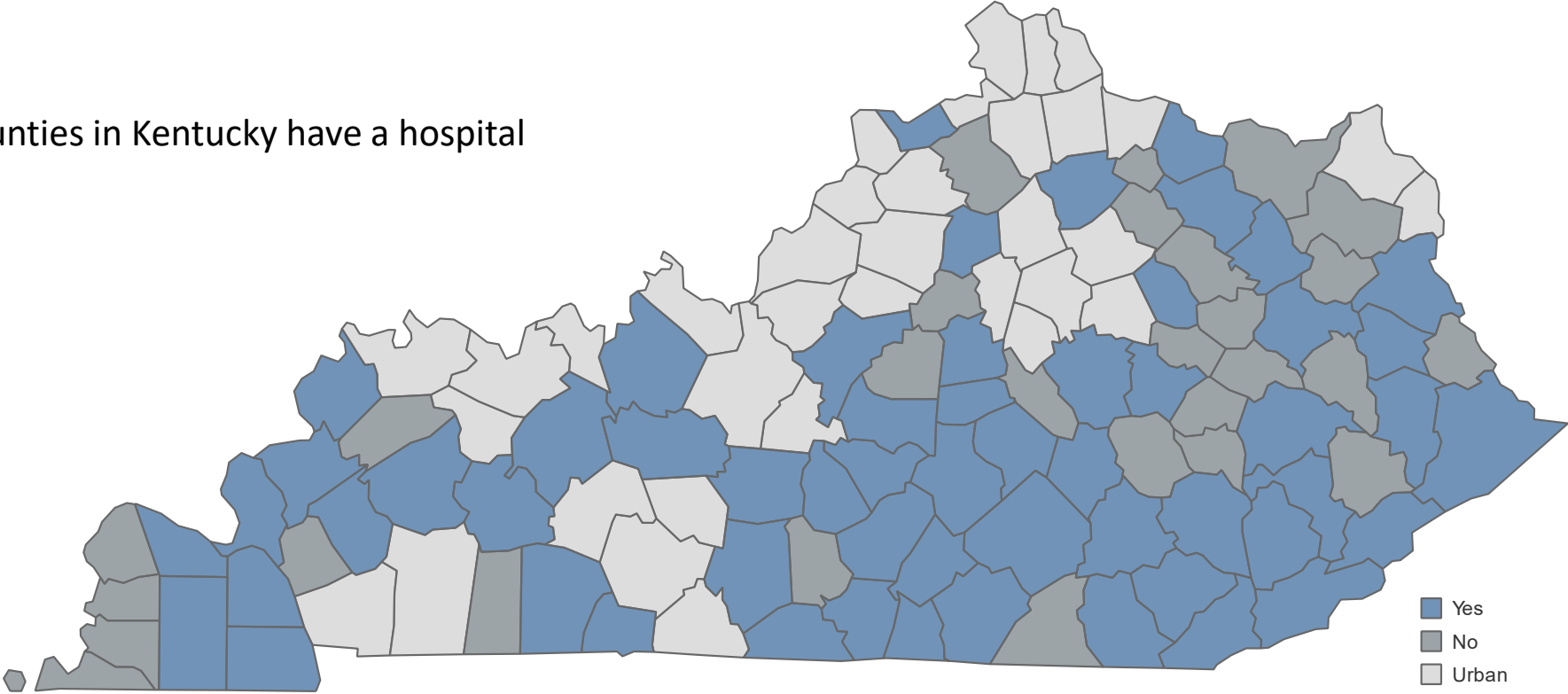
1/4 of the money charged by rural hospitals was for treating
Medicaid beneficiaries

Number of patients (%) and total charged (%) for Medicaid and Non-Medicaid patients in rural Kentucky hospitals in 2023 ¹		
	Medicaid	Non-Medicaid
Number of patients	377,806 32.30%	836,812 71.55%
Total charged	\$5.8B 23.7%	\$18.7B 76.30%

Note: Some patients visited the hospital twice with a different insurance and may be represented in both the Medicaid and non-Medicaid group, thus the percentages sum to >100%

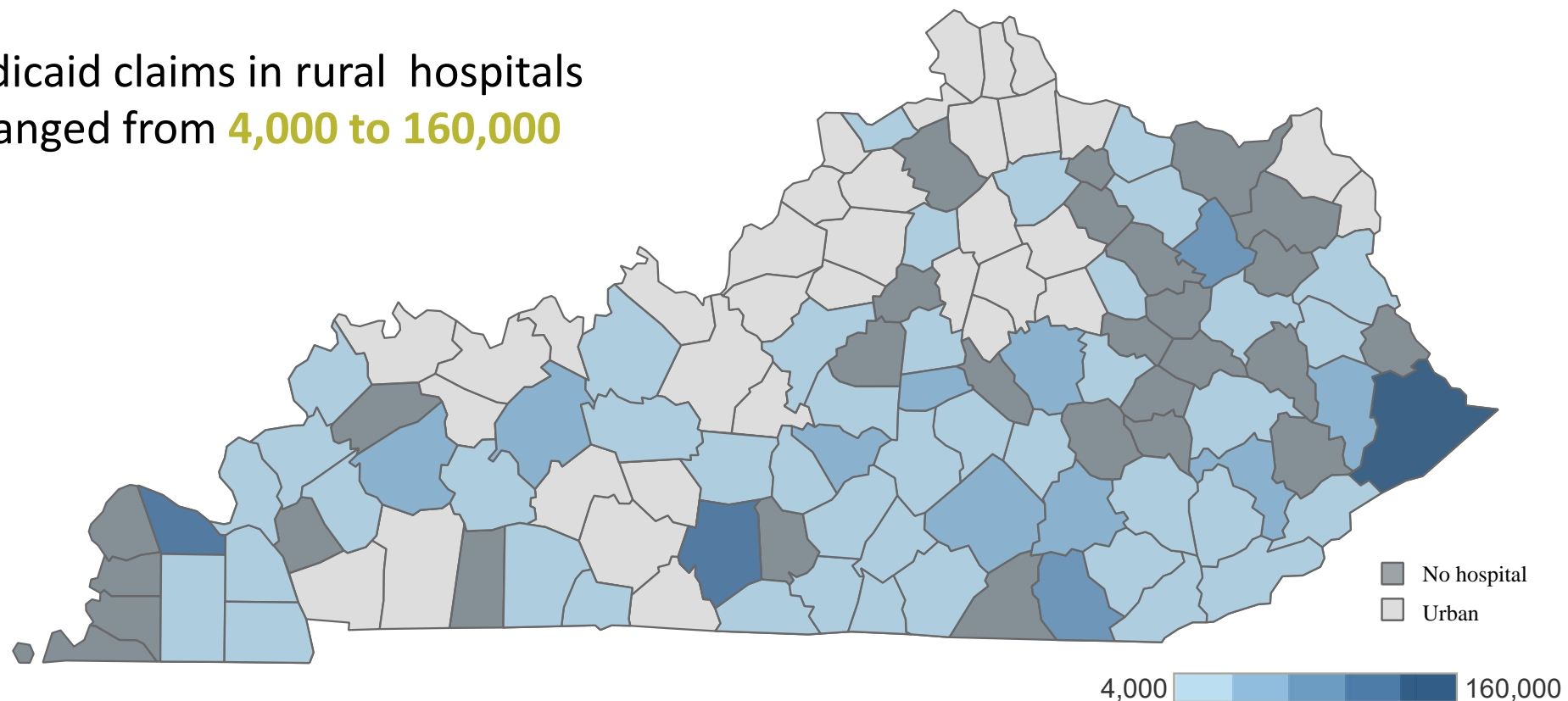
Coverage care map for rural Medicaid beneficiaries: Rural Hospitals

67% (57/85) rural counties in Kentucky have a hospital



Rural hospitals fill an important role for Kentucky's Medicaid beneficiaries

Total number of Medicaid claims in rural hospitals per county in 2023 ranged from **4,000** to **160,000**



Medicaid Accomplishments & Updates

The following is a list of significant accomplishments in Kentucky Medicaid program during 2020 – 2024.

The list is not all inclusive. We wanted to highlight some of the accomplishments we think are making a positive impact on the lives of those we serve.

- Accomplishments
 - Elimination of co-pays
 - Combining KCHIP
 - Single PDL and Single PBM
 - PACE
 - Transportation:
 - Treat no transport
 - Treat, Triage, and Transport
 - NEMT
 - Increase in PRTF Rates
 - HRIP and ORIP
 - NEMT for methadone treatment

Accomplishments

- Extension of postpartum to 12 months
- Coverage of pregnant women in KCHIP
- Continuous eligibility for children
- Community Health Workers reimbursement through Medicaid
- Unwinding activities
- Over 54 state plans approved since 2020

School-Based Services Grant Award Overview

Grant Overview

Background

Through the Bipartisan Safer Communities Act (BSCA) the Centers for Medicare & Medicaid Services (CMS) awarded DMS a \$2.5 million school-based Medicaid service enhancement cooperative agreement.

Project Duration

The period of performance is 36 months with three 12-month payment increments.

Award Highlight

DMS was one of three awardees within the enhancement category in a national bid open to all state Medicaid agencies.

Partnership

The grant application was based upon partnership between the Kentucky Lieutenant Governor's Office, Department for Medicaid Services, Department of Education, and Department for Behavioral Health, Developmental, and Intellectual Disabilities.

Grant Funding Categories

Enhancement

States that have yet to expand the coverage of and billing for Medicaid and CHIP services provided in schools beyond that which is provided pursuant to a student's Individualized Education Plan (IEP)/Individualized Family Service Plan (IFSP).

Expansion

States that have expanded the coverage and billing of Medicaid or CHIP services provided in schools beyond what is provided pursuant to a student's IEP/IFSP.

Implementation

States that have expanded the coverage and billing of Medicaid services provided in schools to include any Medicaid- or CHIP-covered service provided regardless of whether that service is provided pursuant to a student's IEP/IFSP, 504 Plan, or any other Medicaid or CHIP enrolled beneficiary.

Kentucky School-Based Services History

2019 State Plan Amendment

2020 State Plan Amendment

2024-2027 CMS SBS Enhancement Grant

- Extended SBS for all children and adolescents enrolled in the Medicaid program.
- Expanded coverage beyond the Individuals with Disabilities and Education Act requirements of Medicaid coverage for IEP/IFSP necessary services.

- Revised the school-based services reimbursement methodology.
- Final reimbursement for school-based services are based on cost reports submitted.
- All qualified providers of non-IEP/IFSP services approved within the Medicaid state plan are paid the same as providers and services outside the school-based setting (same fee schedules).

- Focused on increasing provider and staff capacity to allow for greater access to behavioral health and other healthcare services in school settings.
- Strengthening school-based health care service infrastructure to increase access to behavioral health services through telehealth usage.

Kentucky's Section 1115 Reentry Demonstration



Justice Involved Individuals (JII) are at higher risk for poor health outcomes, injury, and death than the general public.



CMS **approved** Kentucky's 1115 Reentry Demonstration on July 2, 2024.



Provide Medicaid coverage for certain transitional services to JIIs in designated public institution(s), ensuring continuity of health care coverage pre- and post-release, and facilitating linkages to medical, behavioral health and health related social needs upon release.

Reentry Program	Adults	Juveniles
Enrollment & Suspension	<ul style="list-style-type: none"> Initiate Medicaid application process for incarcerated individuals. Begin no later than 60 days before expected release date. Once enrolled, suspend, not terminate eligibility. 	<ul style="list-style-type: none"> Initiate Medicaid application process for confined youth. Begin no later than 60 days before expected release date. Once enrolled, suspend, not terminate eligibility.
Pre-Release Services Timeframe	60 Days	60 Days
Pre-Release Service Facilities/Locations	14 State Prisons*	DJJ Youth Development Centers* (Youth adjudicated and committed to DJJ custody)
Benefit & Service Package	<ul style="list-style-type: none"> Case Management. Medication Assisted Treatment (MAT) – Requires SUD diagnosis. 30-day supply of medication. 	<ul style="list-style-type: none"> Case Management. Medication Assisted Treatment (MAT) – Requires SUD diagnosis. 30-day supply of medication.
Service Delivery Methods	In-person and Telehealth	In-person and Telehealth

New Service Provider: Community Health Workers

Began billing Medicaid July 1, 2023

39 providers billed

Approximately \$35,000

Approximately 1,218 members

Vision, Hearing, & Dental Expansion

Approximately 7,150 dentures

Over 2,500 crowns

831 root canals

150 hearing aids

113,100 pairs of glasses

Vision Dental and Hearing

Category	Members Served	Services Delivered	Billing Providers	Total Claims Paid
Dental	57,342	73,619	21,019	\$16,635,909
Hearing	16,818	28,668	3,765	\$636,815
Vision	340,021	384,788	43,066	\$11,901,980
TOTAL	414,181	476,075	67,850	\$29,174,704

47th



41st



TRUST FOR AMERICA'S HEALTH ANNUAL RANKINGS 2023



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CABINET FOR HEALTH
AND FAMILY SERVICES

VERONICA JUDY-CECIL

Senior Deputy Commissioner

A Frankfort native, Senior Deputy Commissioner Veronica Judy-Cecil has over 25 years in public service at the state and federal levels. She has served in many roles for DMS. Her tenure began as Program Integrity Director and then Chief of Staff before settling into her current role.

Veronica acts as the Commissioner's lead for the Public Health Emergency unwinding efforts, and supervises the divisions for Health Care Policy, Health Plan Oversight, Program Integrity, and Quality and Population Health. She is a graduate of the University of Kentucky and the Brandeis School of Law.



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Medicaid Public Health Emergency
(PHE)
Unwinding Updates

ORGANIZATIONAL STRUCTURE

OFFICE OF THE COMMISSIONER

Division of Quality & Population Health

Division of Program Integrity

Division of Long-Term Services & Supports

Division of Fiscal Management

Division of Health Care Policy

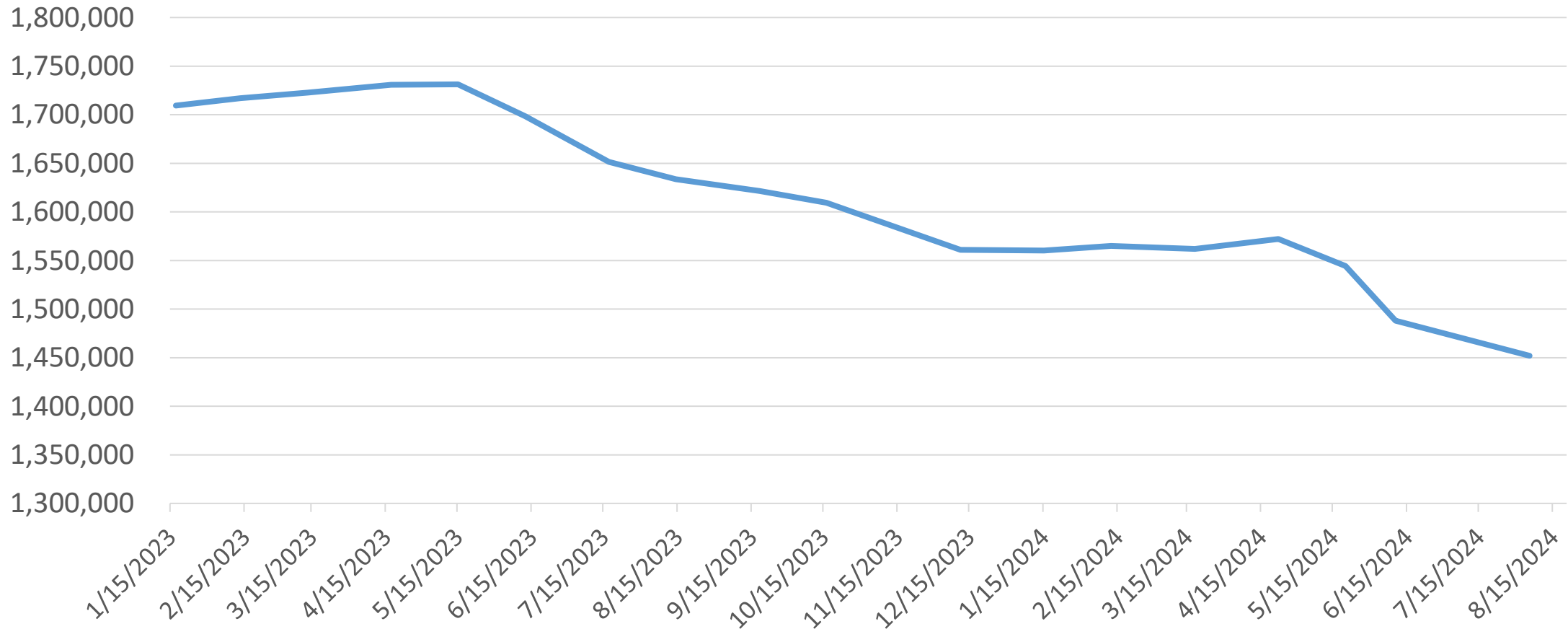
Division of Health Plan Oversight

Division of Information Systems



Medicaid Enrollment Trend

Medicaid Enrollment: January 2023 through July 2024 Renewals



PHE Unwinding Today

2023

2024

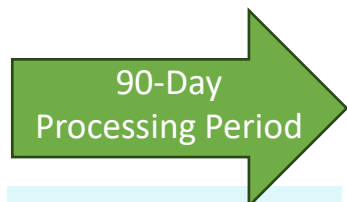


- Last **PHE renewals for adults** had a due date of May 31 with the exception of June 30 for 8 individuals.
- Ongoing annual renewals for **non-PHE** cases resumed in April.
- Ongoing flexibilities in place through June 2025.
- Certain Appendix K flexibilities made permanent in 1915(c) waivers effective May 1.
- CMS monthly and updated reporting ongoing.

Unwinding Report Updates Posted

Original CMS Monthly Reports

	Individual Renewals	Medicaid Approvals	Medicaid Terminations	Pending
May	80,673	37,182	34,124	2,698
Jun	82,606	37,364	35,971	1,883
Jul	54,975	27,044	20,344	1,325
Aug	54,344	28,296	18,662	1,069
Sept	150,985	81,144	16,617	16
Oct	155,003	92,524	12,780	15
Nov	31,863	22,888	1,508	38
Dec	30,705	28,889	1,244	2
Jan	79,053	67,748	10,899	22
Feb	93,004	64,789	10,128	1
Mar	97,962	70,358	7,932	72



2,659 processed
1868 processed
1,287 processed
1064 processed
14 processed
7 processed
33 processed
2 processed
22 processed
1 processed
72 processed

Updated CMS Monthly Reports*

	Individual Renewals	Medicaid Approvals	Medicaid Terminations	Pending
May	80,673	38,552	35,413	39
Jun	82,606	38,236	36,967	15
Jul	54,975	27,775	20,900	38
Aug	54,344	28,853	19,169	5
Sept	150,985	81,156	16,169	2
Oct	155,003	92,528	12,783	8
Nov	31,863	22,900	1,529	5
Dec	30,705	28,891	1,244	0
Jan	79,053	67,758	10,911	0
Feb	93,004	64,780	10,128	0
Mar	97,962	70,404	7,958	0

KY Medicaid Renewals* and Reinstatements

Individuals procedurally terminated on their renewal due date are given 90 days to respond and provide requested information. If they are determined eligible, coverage is **reinstated** back to their termination date. Months that are still within the 90-day window and are still processing reinstatements are included below.

	Individual Renewals	Medicaid Approvals	Medicaid Terminations	Pending	Extended	Reinstatements as of 08/12/24
April	103,265	70,170	15,887	226	16,982	4,340
May	94,705	51,534	37,461	816	4,894	5,002
June	58,959	41,336	13,187	1	4,435	457
July	40,719	36,036	1,187	0	3,496	243

*Numbers are based on CMS Reports.

**New Federal Rules and Acts:
Shaping the Future of the Medicaid Program**

Restructuring Advisory Councils: Elevating Member and Stakeholder Voices

Medicaid Advisory Committee (MAC) + Beneficiary Advisory Council (BAC)

- Expand the scope and use of States' MACs
- Rename the Medicaid Advisory Committee.
- Require States to establish a BAC
- Establish minimum requirements for Medicaid beneficiary representation on the MAC.
- Promote transparency and accountability between the State and interested parties by making information on the MAC and BAC activities publicly available.

Payment Analysis & Transparency

Fee-for-Service

Replaces the Access Monitoring Review plan with new requirements to publicly post rates and conduct a comparative analysis with Medicare every two years.

Goes into effect July 1, 2026

Managed Care

Requires managed care plans to submit the following payment analysis to the Medicaid agency. Medicaid must review the analysis, send it to CMS, and publicly post it.

Goes into effect for rating periods on or after July 9, 2026

Rate Restructuring

- Replaces current Access Monitoring Review Plan process with a **two-tiered approach for any SPA which reduces or restructures a Fee-for-Service rate.**

Compliance Date: Effective date of the rule
(July 9, 2024)