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CABINET FOR HEALTH  
AND FAMILY SERVICES

## **Department for Medicaid Services**

**Persons Returning to Society from Incarceration (Reentry)**

**Technical Advisory Committee**

*May 9, 2024*

*9:00AM EST*

# What is a Section 1115 Demonstration?

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- An 1115 waiver is often described as a pilot or demonstration project that is likely assist in promoting the objectives of the Medicaid program. The purpose of the demonstration is to give states additional flexibility to design and improve their programs.
- An 1115 demonstration project presents an opportunity for states to institute reforms that go beyond just routine medical care and focus on evidence-based interventions that drive better health outcomes and quality of life improvements.
- A demonstration must also be "budget neutral" to the Federal government, which means that, during the project, Federal Medicaid expenditures will not be more than Federal spending without the demonstration. The cost of services must be less than or equal to the cost of services provided today.

**Kentucky has an opportunity to improve health care for individuals who are justice-involved**



## Justice Involved Individuals (JII) Health Needs & Outcomes

Those individuals who have recently served sentences in correctional facilities, who are awaiting trial or sentencing, and those under community supervision, such as those on parole or probation – are at higher risk for poor health outcomes, injury, and death than the general public.



## Challenges Justice Involved Individuals Face

Justice involved adults and juveniles face a **disproportionate risk of trauma, violence, overdose, and suicide.**



## CMS Guidance

**On April 17, 2023,** CMS issued State Medicaid Directors Letter (SMDL) #: 23-003 re: Opportunities to Test Transition-Related Strategies to Support Community Reentry and Improve Care Transitions for Individuals Who Are Incarcerated.



## Health Care & Medicaid-Eligibility in Carceral Settings

Efforts to **ensure continuity of health care coverage pre and post-release & facilitate warm linkages to medical and behavioral health services upon release.**

# Goals of Kentucky's 1115 Reentry Demonstration



## Goal 1

Improve access to services by increasing coverage, continuity of coverage, and appropriate service uptake for eligible incarcerated adults and placed youths.

## Goal 2

Improve coordination, communication, and connections between correctional systems, Medicaid systems and processes, managed care plans, and community-based service providers delivering enhanced services to maximize successful reentry post-release.

## Goal 3

Reduce the number of avoidable emergency department visits and inpatient hospitalizations and reduce all cause deaths.

## Goal 4

Increase additional investments in health care and related services to improve quality of care for Medicaid beneficiaries in carceral settings and post-release reentry community services.

# Demonstration Program Milestones

To improve care transitions upon return to the community, the Section 1115 Reentry Waiver Demonstration will build upon existing process to meet all program requirements. **SMDL#23-003 outlines 5 milestones that must be met:**

1

Increased coverage & ensured continuity of coverage for individuals who are incarcerated

2

Covering and ensuring access to the minimum set of pre-release services for individuals who are incarcerated to improve care transitions upon return to the community

3

Promoting continuity of care

4

Connecting to services available post-release to meet the needs of the reentering population

5

Ensuring cross-system collaboration

# Key Program Components for Justice-Involved Through 1115 Demonstration



## Targeted “Pre-Release” Benefit Package

- Case management services for physical and/or behavioral health.
- Medication-Assisted Treatment (MAT).
- 30-day Supply prescription drugs.



## Reinvestment Plan

- Approved states will reinvest ***all*** new federal dollars to continue to support services.



## Provider Readiness Requirements

- Participating providers must have experience and appropriate training prior to furnishing 1115 pre-release services.
- Readiness Assessment for All Services



## Implementation Planning

- Implementation Plan must outline achievement towards 5 program milestones.

# Stakeholder Engagement Activities

## Core Focus & Participants

Core Focus Area	Stakeholder Participant Groups
Gather information on current health service supports for incarcerated individuals transitioning back to the community.	Department for Medicaid Services (DMS) Department of Corrections (DOC) Department of Juvenile Justice (DJJ) Department of Public Health (DPH) Department for Behavioral Health, Developmental and Intellectual Disabilities (BHDID) Office of Drug Control Policy (ODCP) Administrative Office of the Courts (AOC)
Gather information on behavioral health care and pharmacological services for the incarcerated population.	Pharmacy Technical Advisory Committee (TAC) Behavioral Health Technical Advisory Committee (TAC) Persons Returning to Society from Incarceration (Reentry TAC)
Gather information about the role of Manage Care Organizations (MCO) relative to Case Management.	Aetna Anthem Humana Molina United Healthcare WellCare

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**Small Group Interviews**

2

**Focus Groups**

2

**Public Comment Town Hall Events**

# Demonstration Status

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**On December 30, 2023 Kentucky submitted the formal application to amend the Commonwealth's Section 1115(a) Demonstration, entitled TEAMKY.**



- Improve care transitions for JII who are soon-to-be former inmates of a public institution and who are otherwise eligible for Medicaid.
- Recovery housing supports for eligible JII participating in the Commonwealth's Behavioral Health Conditional Dismissal Program, which provides an alternative to incarceration by allowing eligible defendants to receive treatment for a substance use disorder (SUD).



# Approach to Support CMS Approval



Aligned the application with guidance from the State Medicaid Director (SMD) Letter #23-003.

Narrowed the target population type, but not specific number of Medicaid members.

Chose a minimum benefit package of services aligned to likelihood of provider readiness.

Submitted justification regarding request for 60 days of pre-release service coverage.

# Target Populations and Benefits Package

Reentry Program	Adults	Juveniles
<b>Enrollment &amp; Suspension</b>	<ul style="list-style-type: none"> <li>Initiate Medicaid application process for incarcerated individuals.</li> <li>Begin no later than 60 days before expected release date.</li> <li>Once enrolled, suspend, not terminate eligibility.</li> </ul>	<ul style="list-style-type: none"> <li>Initiate Medicaid application process for confined youth.</li> <li>Begin no later than 60 days before expected release date.</li> <li>Once enrolled, suspend, not terminate eligibility.</li> </ul>
<b>Pre-Release Services Timeframe</b>	60 Days	60 Days
<b>Benefit &amp; Service Package</b>	<ul style="list-style-type: none"> <li>Case Management.</li> <li>Medication Assisted Treatment (MAT) – Requires SUD diagnosis.</li> <li>30-day supply of medication.</li> <li>Recovery Residence Support Services (RRSS) – Requires SUD diagnosis.</li> </ul>	<ul style="list-style-type: none"> <li>Case Management.</li> <li>Medication Assisted Treatment (MAT) – Requires SUD diagnosis.</li> <li>30-day supply of medication.</li> </ul>
<b>Pre-Release Service Facilities/Locations</b>	14 State Prisons*	DJJ Youth Development Centers* (Youth adjudicated and committed to DJJ custody)
<b>Populations</b>	<ul style="list-style-type: none"> <li>All Adults.</li> <li>All Aged, Blind, Disabled.</li> <li>All Pregnant or Postpartum.</li> </ul>	<ul style="list-style-type: none"> <li>All Youth under age 19.</li> <li>All former Foster Youth.</li> </ul>
<b>Service Delivery Methods</b>	In-person and Telehealth	In-person and Telehealth

# Delivery of Services Under the Demonstration

Reentry Program	Adults	Juveniles
<p style="text-align: center;"><b>Services Delivery</b></p>	<p><b>Case Management</b></p> <ul style="list-style-type: none"> <li>• DOC provides case management during incarceration.</li> <li>• At 60 days prior to release, the MCOs will be engaged to provide enhanced case management.</li> </ul> <p><b>MAT Services – Requires SUD diagnosis</b></p> <ul style="list-style-type: none"> <li>• DOC will provide MAT services during incarceration.</li> </ul> <p><b>30-Day Supply of Medications</b></p> <ul style="list-style-type: none"> <li>• DOC will coordinate with Diamond Pharmacy to provide JII a 30-day supply of all medications upon release.</li> </ul> <p><b>Recovery Residence Support Services (RRSS) – Requires SUD diagnosis</b></p>	<p><b>Case Management</b></p> <ul style="list-style-type: none"> <li>• DJJ provides case management during placement.</li> <li>• JII Youth will be supported by the statewide MCO, Kentucky SKY, Supporting Kentucky Youth, currently, Aetna Better Health of Kentucky.</li> <li>• At 60 days prior to release, KY SKY will be engaged to provide enhanced case management.</li> </ul> <p><b>MAT Services – Requires SUD diagnosis</b></p> <ul style="list-style-type: none"> <li>• DJJ will provide MAT services during placement.</li> </ul> <p><b>30-Day Supply of Medications</b></p> <ul style="list-style-type: none"> <li>• DJJ will coordinate with Diamond Pharmacy to provide JII a 30-day supply of all medications upon release.</li> </ul>

# Q1 2024 – Q3 2024 Project Activities Overview



# Collaboration for Effective Implementation Planning & Program Deployment

## Kentucky ACRES

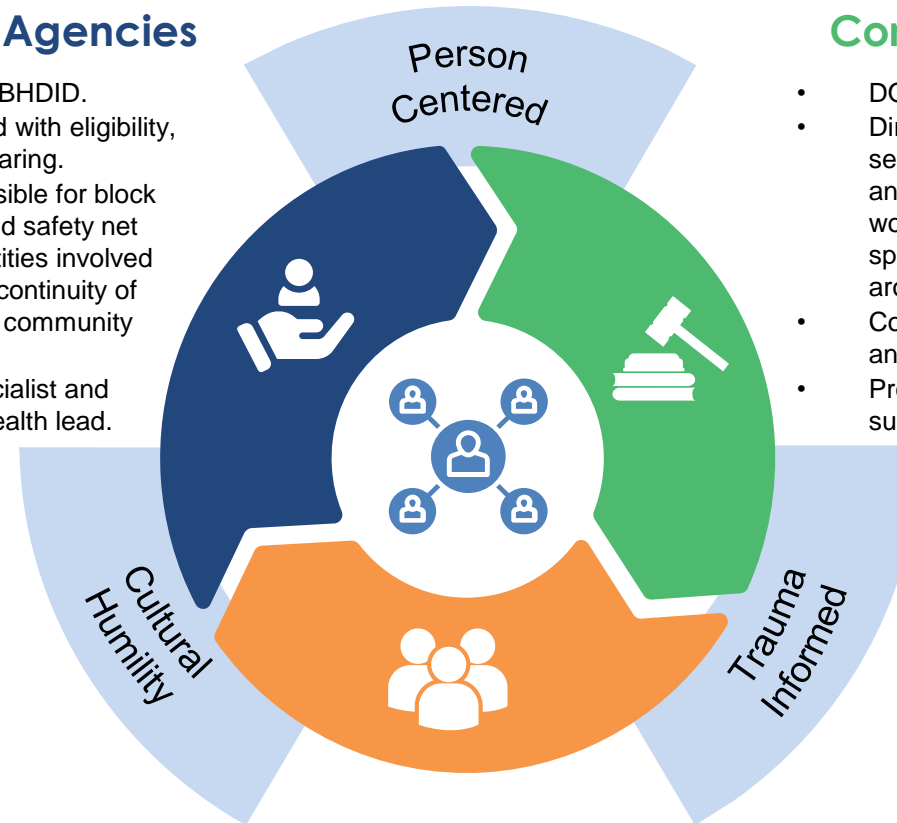
### Advisory & Community Collaboration for Reentry Services

- | Advisory Workgroup & Subcommittees
- | Stakeholder Engagement
- | Town Halls & Workshops

- Eligibility and enrollment.
- Service package & benefit design.
- Provider enrollment.
- Provider & Rx billing/claiming.
- Rate-setting.
- MCOs, & FFS.
- System design & integration.
- Data exchange (KHIE).
- Demonstration requirements, policy development.
- Provider and staff training.
- Service delivery and coordination.
- MOUs: pre-release operations & funding.
- Data collection & reporting.

### Medicaid & Inter-Agencies

- CHFS, DMS, DCBS, DBHDID.
- MCOs, entities involved with eligibility, enrollment and data sharing.
- Local agencies responsible for block grants for uninsured and safety net providers, including entities involved in eligibility, coverage, continuity of care and connection to community providers.
- Infectious disease specialist and department of public health lead.
- Reentry TAC.



### Correctional Partners

- DOC, DJJ Leadership.
- Direct Care Staff (correctional health service providers, clinical coordinator and clinicians, care coordinator, social workers, peers, counselors, reentry specialists, case managers, wrap-around service coordinators).
- Corrections administrators, wardens, and officers.
- Probation, parole board & parole supervising authority

### Community Partners

- State and local reentry councils and committees.
- Community based providers, such as health, behavioral health, social support, and peer recovery services.
- Consumer Advocates & Peers.

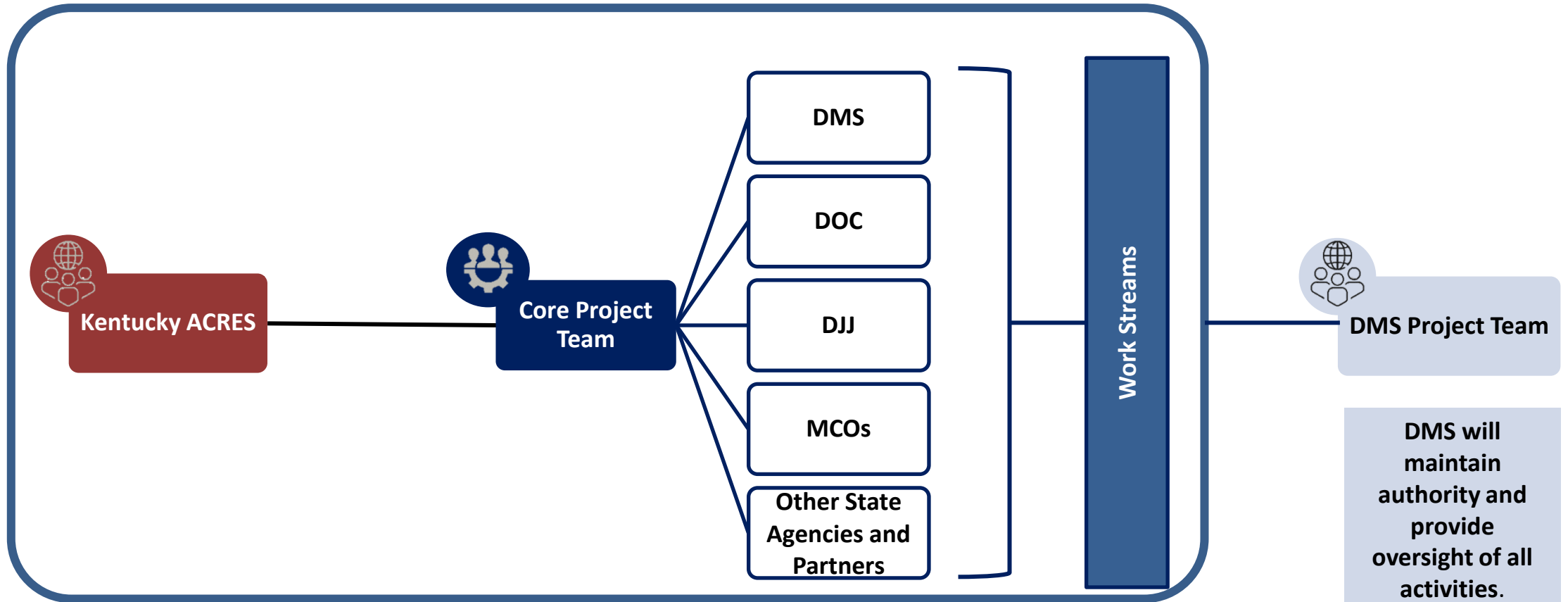
# Advisory Workgroup Participation

**ACRES  
Workgroup  
Contains  
Representation  
From...**

- Department for Medicaid Services (DMS)
- Department for Behavioral Health, Developmental, and Intellectual Disabilities (DBHDID)
- Department for Community Based Services (DCBS)
- Office of Drug Control Policy (ODCP)
- Department for Public Health (DPH)
- Department of Corrections (DOC)
- Department of Juvenile Justice (DJJ)
- Administrative Office of the Courts (AOC)
- Managed Care Organizations (MCOs)
- Community Partners
- Advocacy Organizations
- Individuals with Lived Experience



# Program Governance and Project Oversight



## Role of Kentucky ACRES

- Provides Executive-level oversight and strategic direction to the project team.
- Ensures alignment of the broader Reentry goals and objectives.

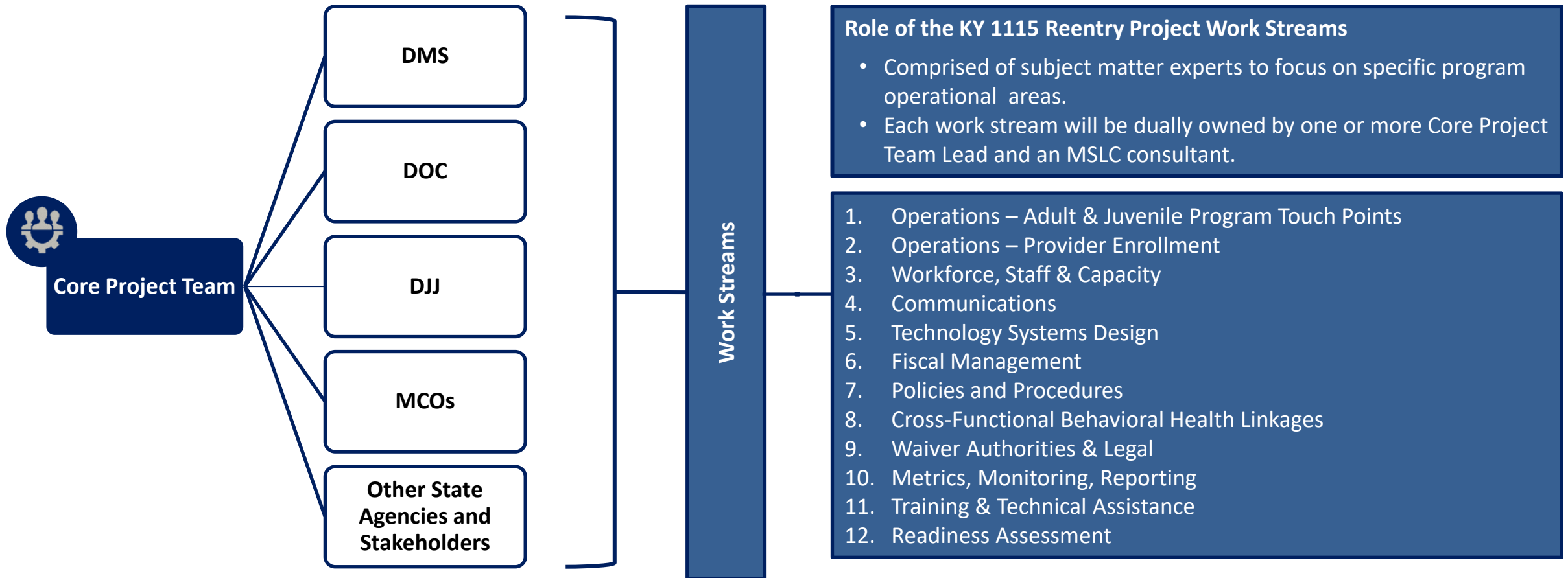
## Role of the Core Project Team

- Focused on implementation tasks and project needs.
- Supports policy development and strategy execution.
- Executes strategies according to policy.
- Provides direct oversight of the project work streams.

Final approval of demonstration policy will be guided by CMS Guidance.

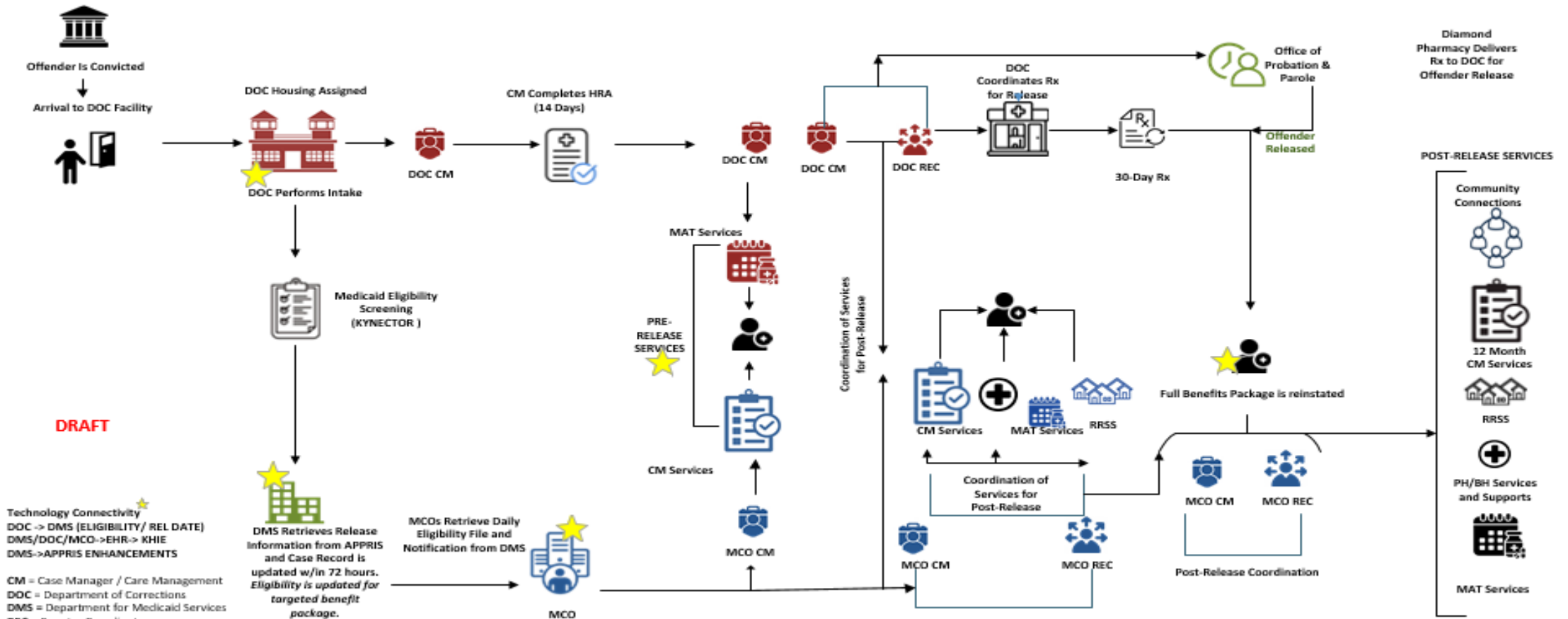
DMS will maintain authority and provide oversight of all activities.

# Project Oversight and Work Streams





# Proposed Reentry Process for JII Adults

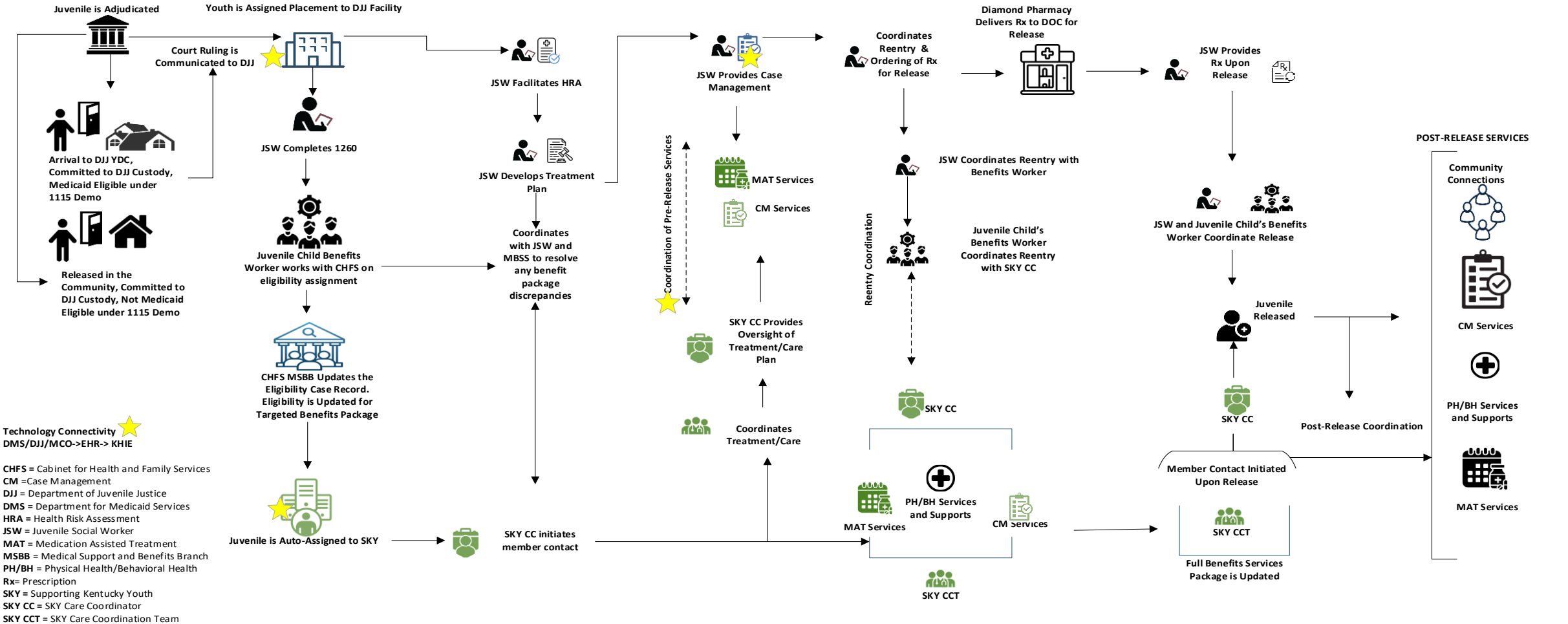


**DRAFT**

Technology Connectivity  
 DOC -> DMS (ELIGIBILITY/ REL DATE)  
 DMS/DOC/MCO -> EHR -> KHIE  
 DMS -> APPRIS ENHANCEMENTS

CM = Case Manager / Care Management  
 DOC = Department of Corrections  
 DMS = Department for Medicaid Services  
 REC = Reentry Coordinator  
 RRSS = Recovery Residential Support Services  
 MAT = Medication Assisted Treatment  
 MCO = Managed Care Organization  
 PH/BH = Physical Health/Behavioral Health  
 Rx = Prescription

# Proposed Reentry Process for JJI Youth



**DRAFT**

# Expedited Application Review Process

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April 2024, CMS announced “Piloting a Strategy to Expedite Application Review” for pending states utilizing a bundled approval approach.



- CMS organized states into bundles based on combination of when application came in, whether reentry is part of a larger extension, and when the state’s demonstration expires.
  - KY is included in 1st Bundle
  - Expected approval by July 1, 2024
- States who do not meet expedited path, or “opt out” will take the regular review process later in 2025.

# Next Steps

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## Comply with Expedited Approval Process:

- Return requested documents to CMS by 5/10.
- Review approval package (STCs) Early June.

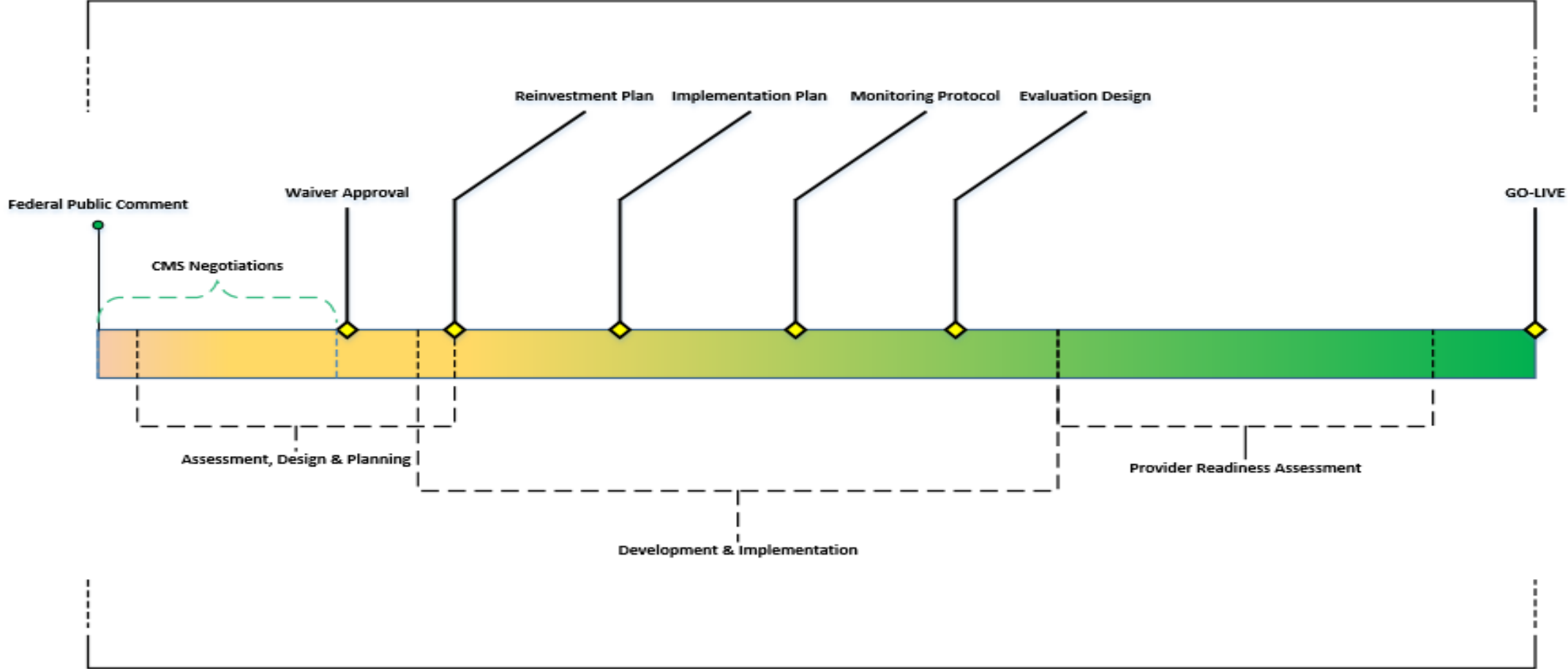
CORE Team and Workstream Kick-Off(s) in May.

Pending: [NASHP and HARP State Reentry Learning Collaborative](#)

- Application submitted 4/26
- 5 states will be selected for 18-month Collaborative with Peer-to-Peer State calls and monthly targeted Technical Assistance (TA).

# Implementation Roadmap

## Milestones Required by CMS



## Demonstration Lead Activities

# Consolidation Appropriations Act (CAA)

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As part of the Consolidated Appropriations Act, 2023, Congress included section 5121 to address Medicaid and CHIP requirements for certain Medicaid and CHIP beneficiaries who are incarcerated:

- Section 5121 is mandatory.
- Provisions take effect on January 1, 2025.
- CMS is tentatively targeting the release of guidance for spring 2024.

# Section 5121

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For purposes of Sections 5121 an eligible juvenile means the term defined in section 1902(nn) of the Act:

- A Medicaid eligible individual who is under 21 years of age; and
- An individual between the ages of 18 and 26 who is eligible for Medicaid under the mandatory former foster care children group.

Under section 5121, state Medicaid and CHIP programs are required to have a plan in place and in accordance with such plan cover:

- In the 30 days prior to release, certain screenings and diagnostic services in accordance with the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) requirements for Medicaid or the approved CHIP state plan, including behavioral health screenings or diagnostic services to eligible juveniles who are post adjudication in public institutions; and
- Targeted case management services for Medicaid in the 30 days prior to release and for at least 30 days following release for Medicaid,

# Questions



[ky1115reentryprogram@mslc.com](mailto:ky1115reentryprogram@mslc.com)

[angela.sparrow@ky.gov](mailto:angela.sparrow@ky.gov)



# Appendix

## Kentucky's Section 1115

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- **Kentucky's Section 1115 Demonstration entitled "TEAMKY (formally known as Kentucky Helping to Engage and Achieve Long Term Health (KY HEALTH))" was approved January 2018.**
- **Kentucky received a temporary extension through September 30, 2024. The Demonstration includes the following components:**
  - Substance Use Disorder (SUD) Section 1115, and
  - Eligibility for out of state former foster care youth.
- **Pending requests include:**
  - Serious Mental Illness (SMI) Section 1115, and
  - Recuperative Care Pilot, and
  - Reentry Section 1115

# Eligible Facilities

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## Adult Facilities

- 14 State Prisons
  1. Bell County Forestry Camp
  2. Blackburn Correctional Complex
  3. Eastern Kentucky Correctional Complex
  4. Green River Correctional Complex
  5. Kentucky Correctional Institute for Women
  6. Kentucky State Penitentiary
  7. Kentucky State Reformatory
  8. Lee Adjustment Center
  9. Little Sandy Correctional Complex
  10. Luther Lockett Correctional Complex
  11. Northpoint Training Center
  12. Roederer Correction Complex
  13. Southeast State Correctional Complex
  14. Western Kentucky Correctional

## Juvenile Facilities

- Youth Development Centers
  1. Adair
  2. Lake Cumberland
  3. Mayfield
  4. Morehead
  5. Northern Kentucky
  6. Woodsbend

# Kentucky's Medicaid-Eligible JJI Population

## Kentucky Incarcerated Adults

- Total correctional population in 2022 was 95,479 including 32,351 incarcerated and 63,128 on probation or parole. About half of those incarcerated are in state prisons.
- Incarceration rate is 930 per 100,000 – among the *“highest in the world”*

## Kentucky DJJ-Involved Youth

- Total number of DJJ-involved youth was 3,490 in 2022.
- Detained rate is 13.7 per 1,000 youth ages 10-17.

Kentucky Center for Economic Policy. Press Release. Available at: <https://kypolicy.org/kentucky-incarceration/#:~:text=Kentucky's%20total%20correctional%20population%20in,behind%20only%20Louisville%20and%20Lexington.>  
Annie E. Casey Foundation. Kids Count Data Center. Available at: <https://datacenter.aecf.org/data/tables/1404-youth-detained-by-juvenile-justice-system#detailed/2/any/false/1095/any/3015>  
Prison Policy Initiative. Kentucky Profile. Available at: <https://www.prisonpolicy.org/profiles/KY.html>

# Kentucky's Medicaid-Eligible JJI Population

## Health Status of Incarcerated Adults

*According to national data:*

- 2 in 5 adults in jails and prisons have a history of mental illness.
- 1 in 4 with serious mental illness (SMI) have been arrested – leading to 2 million bookings annually.
- 17% of those incarcerated suffer from serious mental illness.
- 63% of those in jail and 58% in prison have a substance use disorder (SUD).
- Incarcerated people have higher rates of high blood pressure, hypertension, asthma, cancer, arthritis, tuberculosis, hepatitis, and HIV.

SAMSHA. Criminal and Juvenile Justice. Available at: [https://www.samhsa.gov/criminal-juvenile-justice/about#:~:text=It%20is%20estimated%20that%2011,\(PDF%20%7C%20670%20KB\)](https://www.samhsa.gov/criminal-juvenile-justice/about#:~:text=It%20is%20estimated%20that%2011,(PDF%20%7C%20670%20KB)).

SAMHSA, BEST PRACTICES FOR SUCCESSFUL REENTRY FROM CRIMINAL JUSTICE SETTINGS FOR PEOPLE LIVING WITH MENTAL HEALTH CONDITIONS AND/OR SUBSTANCE USE DISORDERS 4 (2023) <https://store.samhsa.gov/sites/default/files/pep23-06-06-001.pdf>.

NAT'L ALLIANCE ON MENTAL ILLNESS, MENTAL HEALTH IN KENTUCKY (2021) <https://www.nami.org/NAMI/media/NAMI-Media/StateFactSheets/KentuckyStateFactSheet.pdf>

Mental Health America. Position Statement 51. Available at: <https://mhanational.org/issues/position-statement-51-children-emotional-disorders-juvenile-justice-system>

# Kentucky's Medicaid-Eligible JJI Population

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## Health Status of DJJ-Involved Youth

*According to national data:*

- Over 90% of juvenile offenders have experienced at least one traumatic event.
- At least 75% of youth in the juvenile justice system experienced traumatic victimization.
- 70% suffer from at least one diagnosable mental health disorder, and 30% of those experience severe mental health disorders.
- 46% have at least one urgent medical need that requires immediate attention.

SAMSHA. Criminal and Juvenile Justice. Available at: [https://www.samhsa.gov/criminal-juvenile-justice/about#:~:text=It%20is%20estimated%20that%2011,\(PDF%20%7C%20670%20KB\)](https://www.samhsa.gov/criminal-juvenile-justice/about#:~:text=It%20is%20estimated%20that%2011,(PDF%20%7C%20670%20KB)).

SAMHSA, BEST PRACTICES FOR SUCCESSFUL REENTRY FROM CRIMINAL JUSTICE SETTINGS FOR PEOPLE LIVING WITH MENTAL HEALTH CONDITIONS AND/OR SUBSTANCE USE DISORDERS 4 (2023) <https://store.samhsa.gov/sites/default/files/pep23-06-06-001.pdf>.

NAT'L ALLIANCE ON MENTAL ILLNESS, MENTAL HEALTH IN KENTUCKY (2021) <https://www.nami.org/NAMI/media/NAMI-Media/StateFactSheets/KentuckyStateFactSheet.pdf>

Mental Health America. Position Statement 51. Available at: <https://mhanational.org/issues/position-statement-51-children-emotional-disorders-juvenile-justice-system>