

# MEDICAID RECONNECT TOUR

# Secretary Eric Friedlander



CABINET FOR HEALTH  
AND FAMILY SERVICES

Department for Medicaid Services

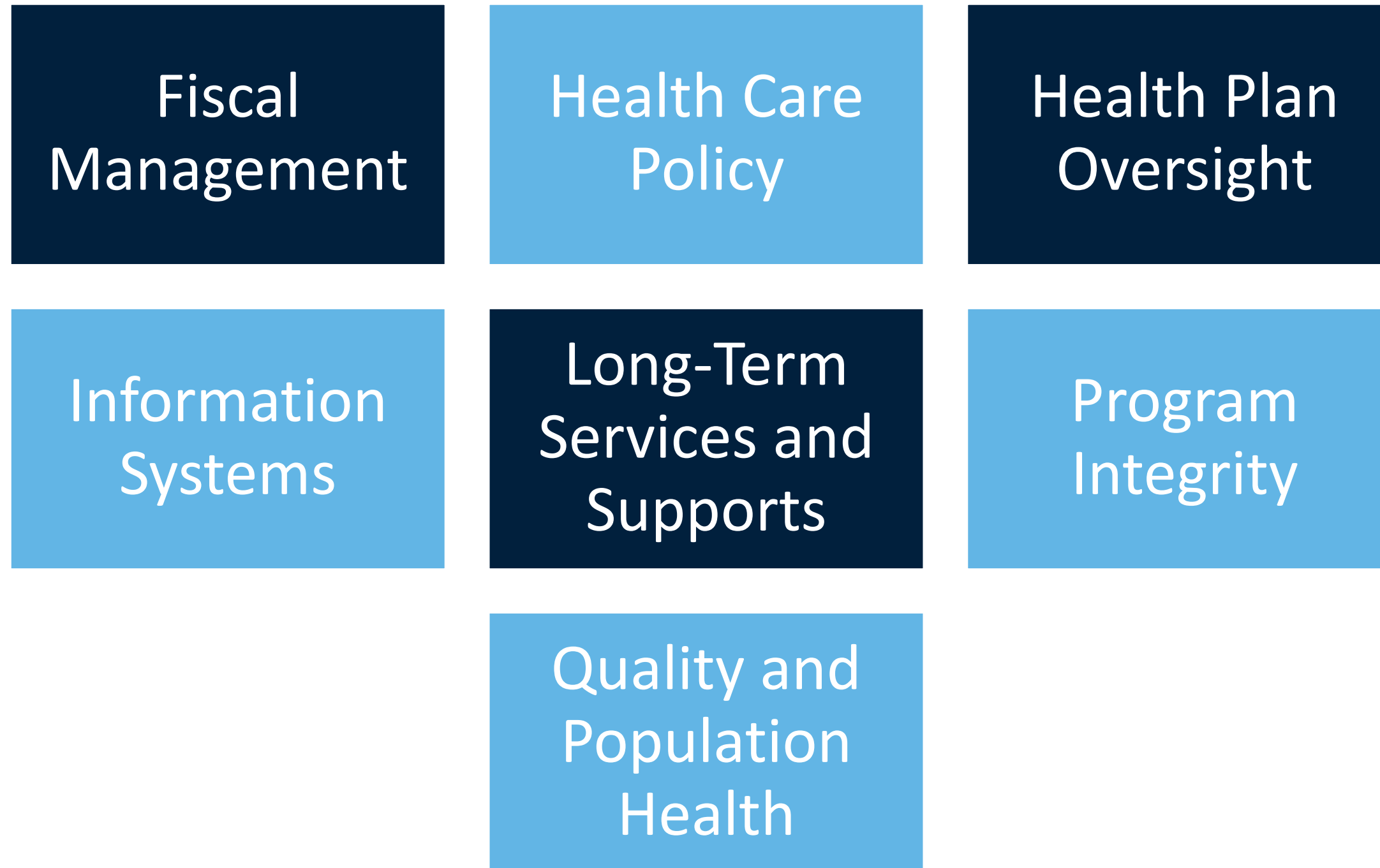
KY Medicaid MCO Forum  
April 11, 2023

Lisa Lee, Commissioner

# MEDICAID RECONNECT TOUR

- Agenda
- 8-8:45 a.m.: Registration, Check-In
- Morning Session - Ballroom
- 9:10 -10:45 a.m.: What's New with Kentucky Medicaid?
- *10:45-10:55 a.m.: BREAK*
- 10:55-11:35 a.m.: Sister Agencies:
- 11:40 a.m.: Q&A Panel with Cabinet Staff
- *12:00-1:30 p.m.: LUNCH ON YOUR OWN*
- Afternoon Session
- 1:30-2:30 p.m.: MCO Expert Panel - Ballroom
- 2:30 – 4:00 p.m.: MCO Provider Meetings – Caucus Room

# Department at a Glance



# Kentucky Medicaid at a Glance

Approximately 1.7 million members

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

649,000 Expansion members

Over 69,000 enrolled providers

\$15.1 billion in total SFY 2022 expenditures  
(Administrative and Benefits combined)

# 2023 Federal Poverty Level (pre-tax)

# of Persons in Household	2023 Federal Poverty Level for the 48 Contiguous States (Annual Income)			
	100%	138%	150%	200%
1	\$14,580	\$20,120	\$21,870	\$29,160
2	\$19,720	\$27,214	\$29,580	\$39,440
3	\$24,860	\$34,307	\$37,290	\$49,720
4	\$30,000	\$41,400	\$45,000	\$60,000
5	\$35,140	\$48,493	\$52,710	\$70,280
6	\$40,280	\$55,586	\$60,420	\$80,560
7	\$45,420	\$62,680	\$68,130	\$90,840
8	\$50,560	\$69,773	\$75,840	\$101,120
Add \$5,140 for each person in household over 8 persons				

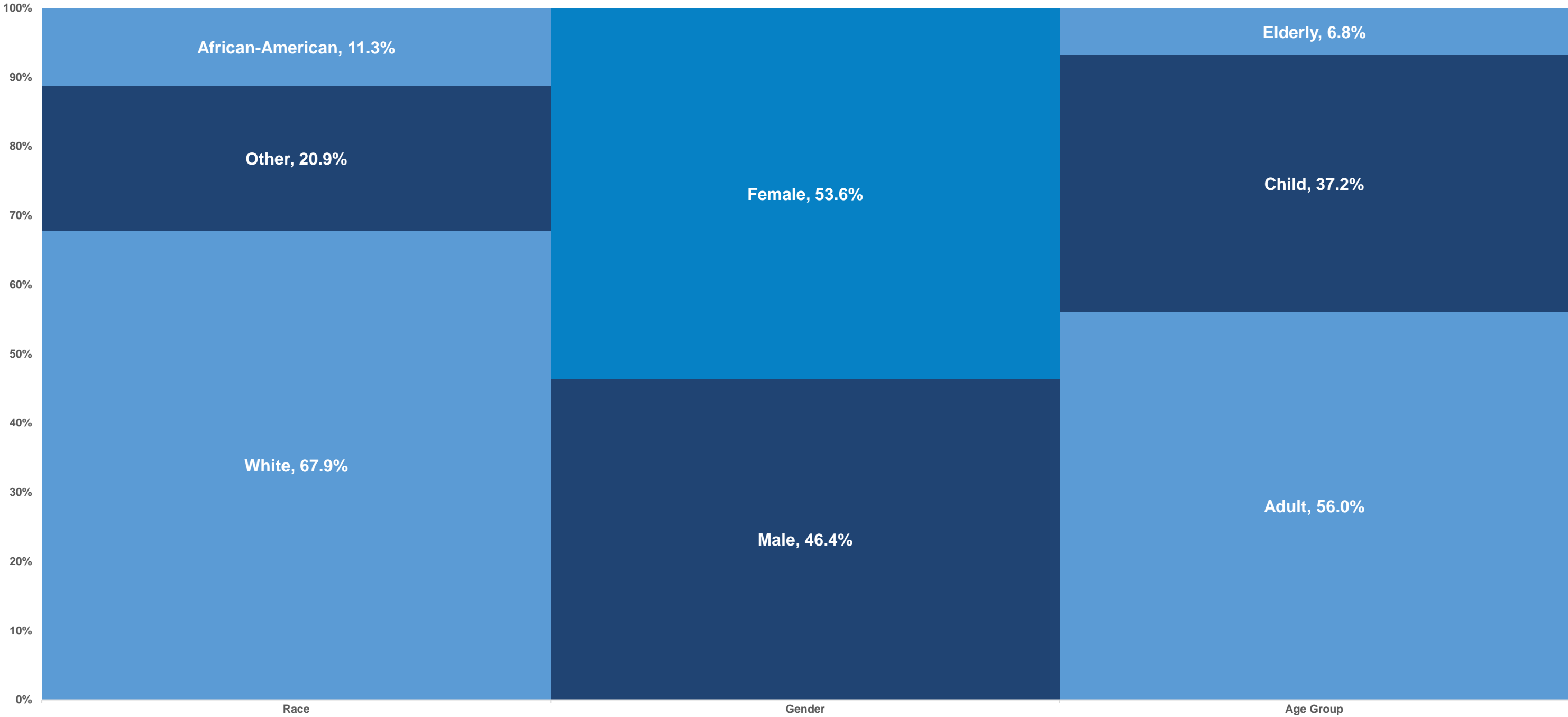
# Average Kentucky Expenses

<b>Family of 4</b>		
<b>Medicaid Income Limit</b>	<b>\$41,400.00</b>	
Taxes	\$12,420.00	
Housing	\$11,664.00	<a href="#">Cost of Living in Kentucky (2023)   SoFi</a>
Utilities	\$ 4,812.00	
Food and Groceries (non restaurant)	\$14,324.16	
<b>Total Expenses</b>	<b>\$43,220.16</b>	

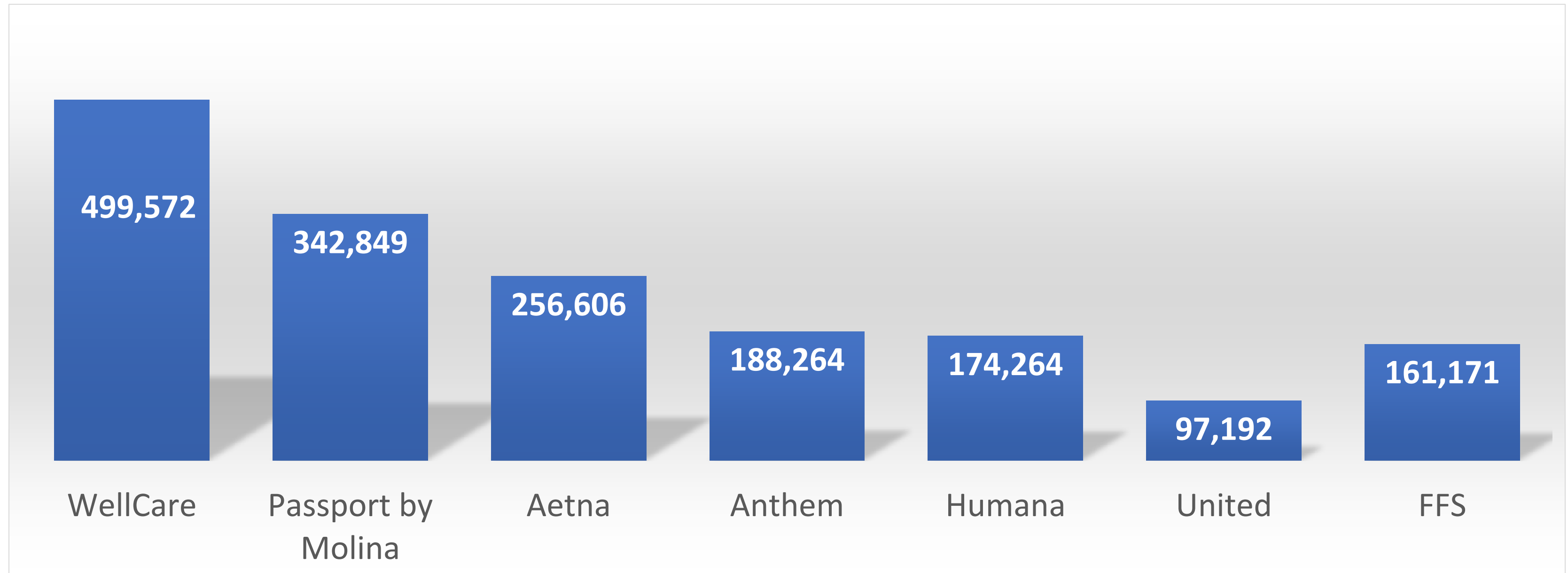
**Additional expenses not considered in above calculation:** Clothing, transportation, auto insurance, telephone, misc. expenses related to school-aged children



# KY Medicaid Enrollment Demographics



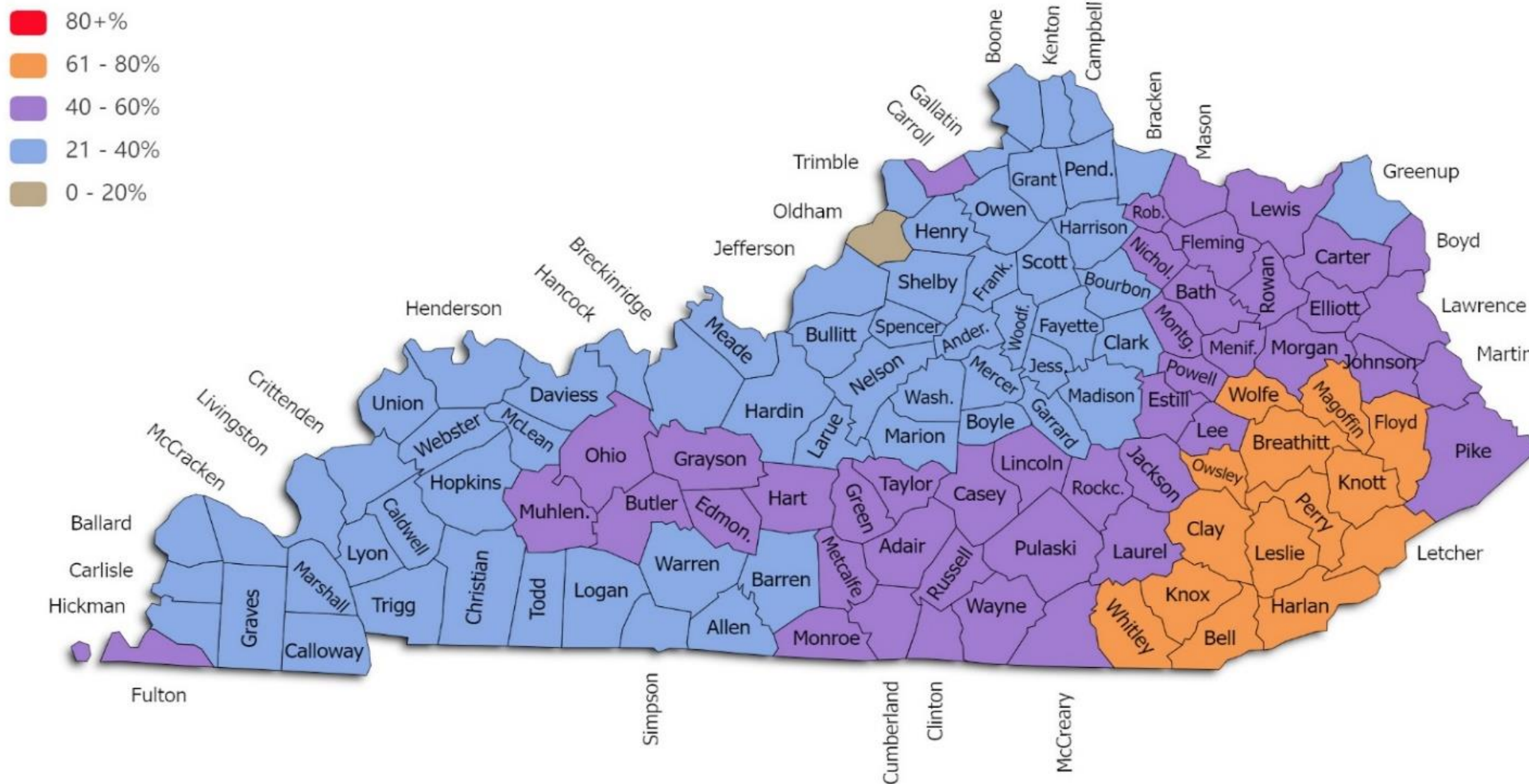
# KY Medicaid Enrollment



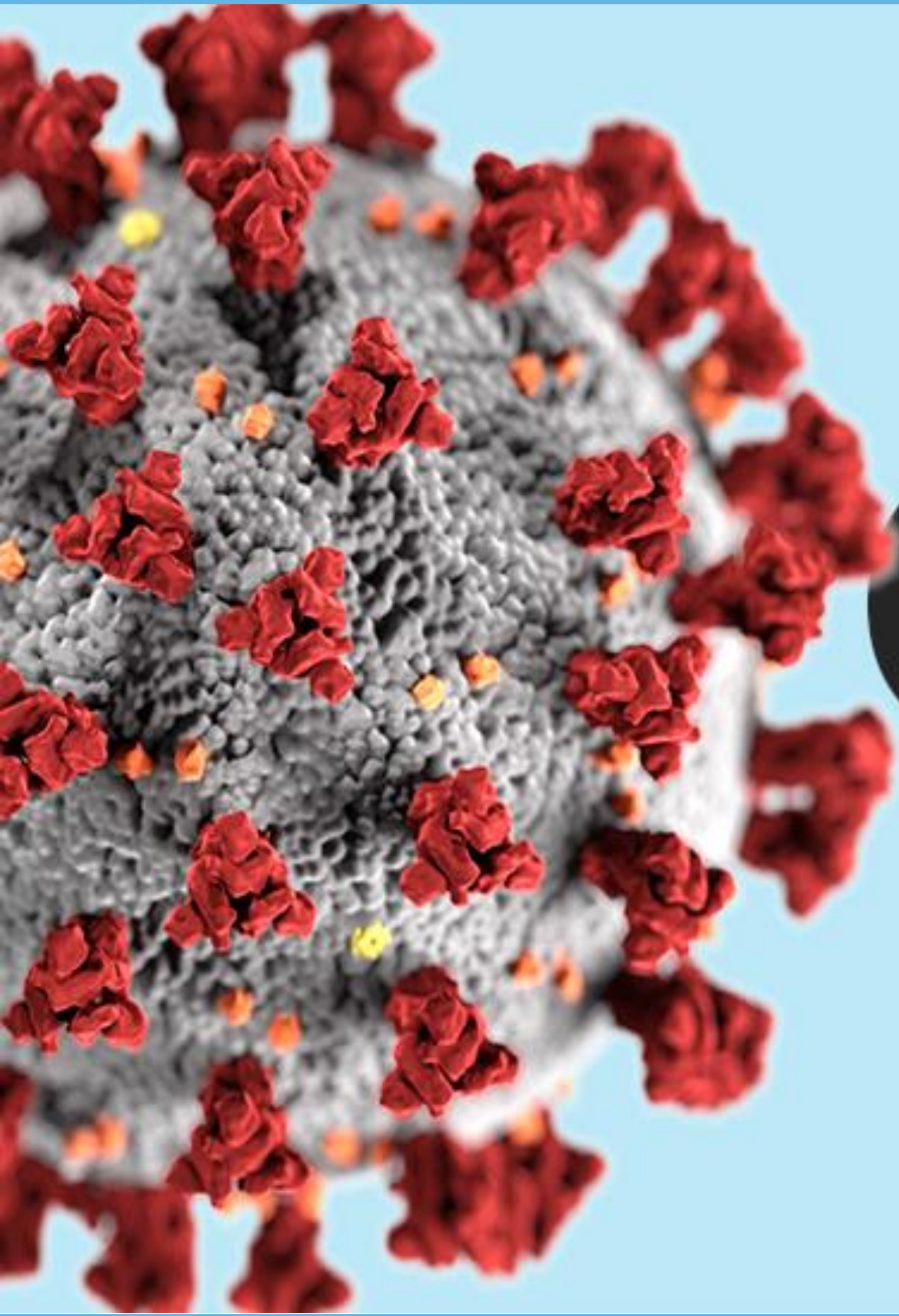
NOTE: Aetna includes 28,045 SKY members

[www.chfs.ky.gov/agencies/dms/stats/KYDWMCC032023.pdf](http://www.chfs.ky.gov/agencies/dms/stats/KYDWMCC032023.pdf)

# KY Medicaid Enrollment Percentage by County



Created with paintmaps.com



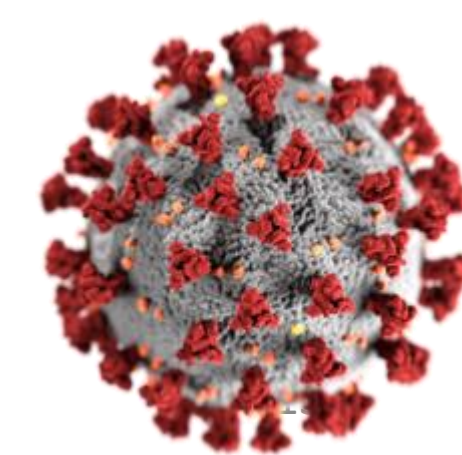
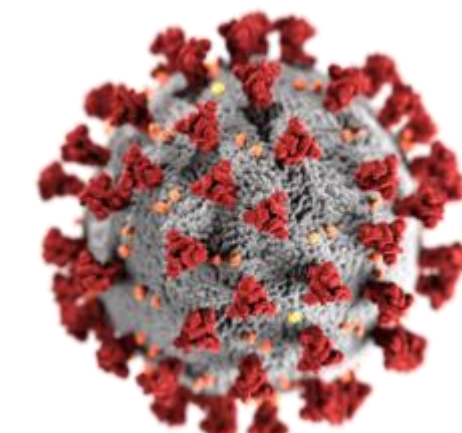
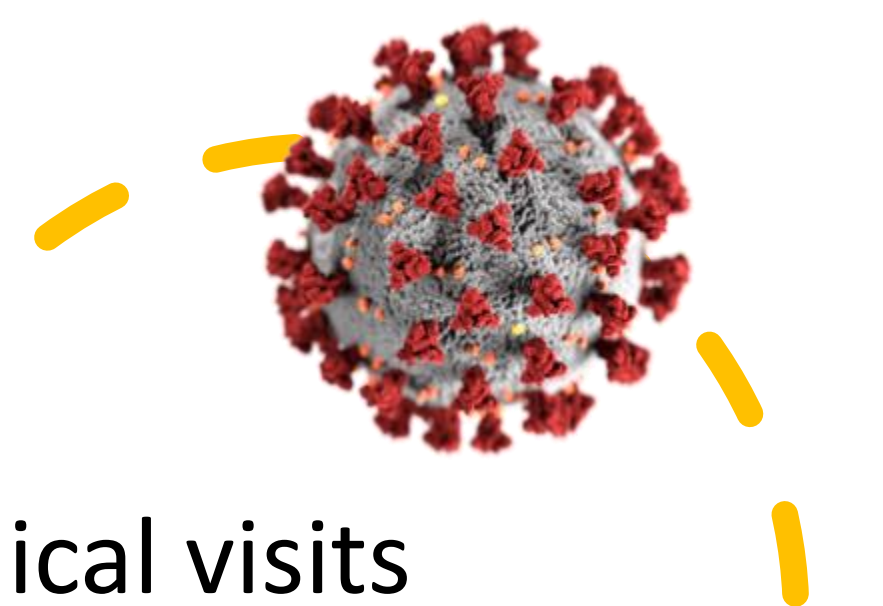
# COVID-19

CORONAVIRUS PANDEMIC

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# Impact of COVID-19 on Medicaid Program

- Increased enrollment
- Decrease in-person medical visits
- Increase in telehealth
- Increase in expenditures
- Increased need for behavioral health services
- Remote workforce



# Medicaid Response to COVID

- **Presumptive Eligibility (PE)**
- **Prior Authorization Requirements:**
  - DMS eliminated prior authorizations for COVID-19 related services in 2020, including hospitalizations and outpatient services.
  - Re-implemented in 2021 and eliminated again with COVID surge.
  - Behavioral Health no PA since beginning of Public Health Emergency
- **Diagnostic Related Group (DRG) Reimbursement:**
  - Implemented a 20% add-on to the weight of the DRG (any DRG) assigned to the claims with a COVID-19 diagnosis code.

# Medicaid Response to COVID

- **Pharmacy Refills:** DMS allowed early refills of 30, 60, and 90 day supply of prescriptions
- **Telehealth:** In order to reduce in-person trips to medical facilities, DMS encouraged and expanded the use of telehealth services
- **Cost Reporting Process:** Consistent with CMS, DMS extended due dates for cost reports for 6 months
- **Recoupments:** DMS allowed all providers to request stays on recoupments
- **Payment Intercepts:** DMS worked with the Department of Revenue to temporarily discontinue the payment intercepts on Medicaid fee-for-service reimbursements
- **Nursing Facilities:** DMS implemented the following items:
  - \$270 per diem add-on for any COVID-19 positive patient in a long-term-care facility
  - Extended bed hold from 14 to 30 days
  - DMS increased the bed reserve reimbursement rate from 50% to 75%
  - Implemented a \$29 per day add-on to be used specifically to address personal protective equipment, COVID-19 testing, and staffing
  - Streamlined resident application process by accepting client statements for verification of assets

# Covid Expenditures

SFY2020 Total	\$20,785,618.57
SFY2021 Total	\$298,464,929.02
SFY2022 Total	\$426,884,720.62
SFY2023 Total (through February 2023)	\$166,899,730.72
Grand Total	\$913,034,998.93

FFS total members: 40,169

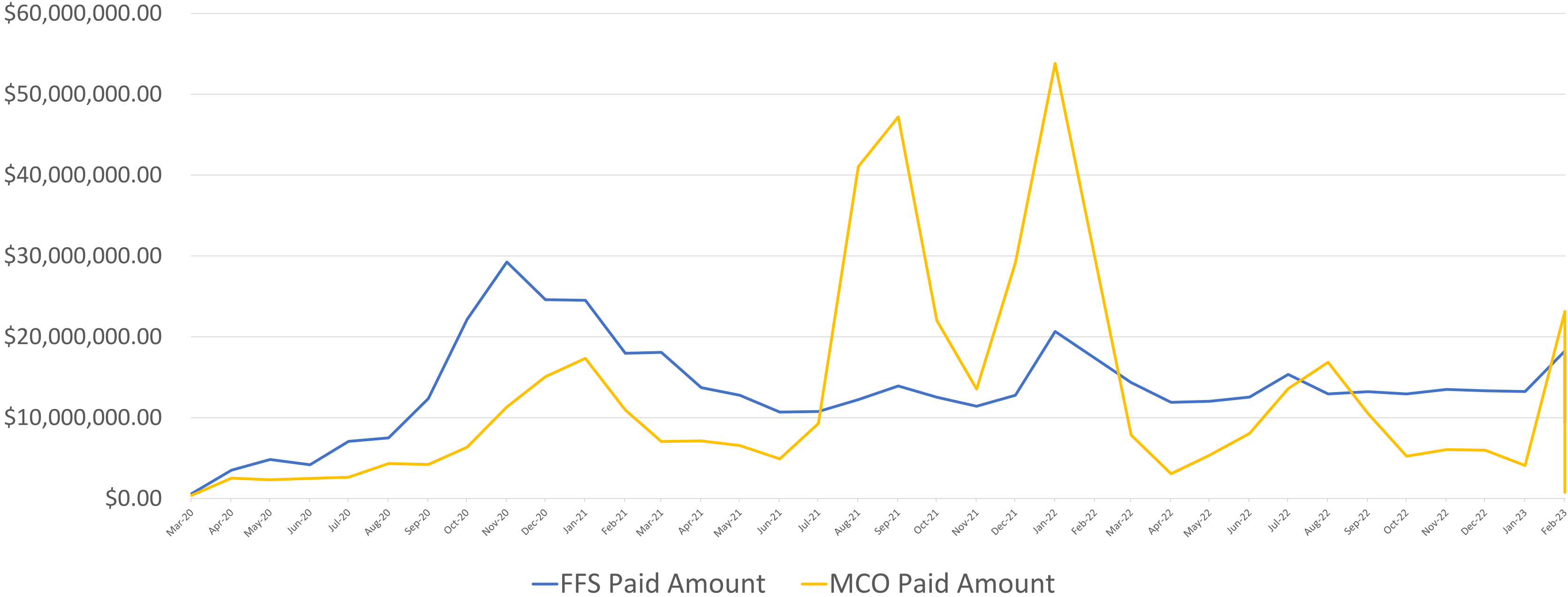
FFS amount per member: \$11,973

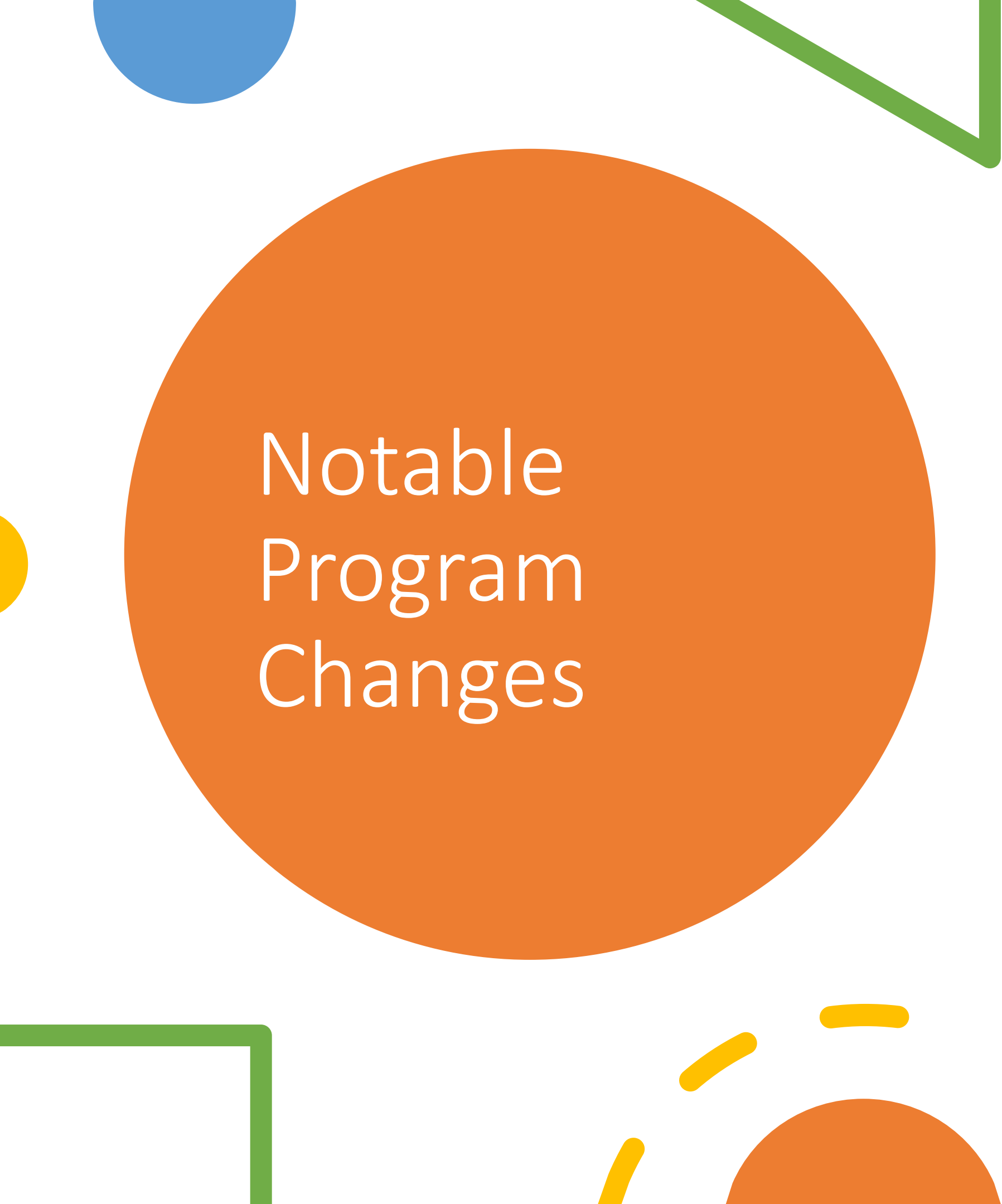
MCO total members: 349,114

MCO amount per member: \$1,238



# COVID Expenditures





# Notable Program Changes

- Single prescription drug list for all Medicaid members enrolled in MCO effective 11/2021
- Program of All-inclusive Care for the Elderly (PACE)
- 12 months coverage for post-partum
- Vision, hearing, and dental for adults
- Created Health Diversity and Equity Technical Advisory Council
- Created Persons Returning to Society from Incarceration Technical Advisory Council

# Notable Legislation

2020

- SB50 required the Department to establish a single pharmacy benefit manager implemented 07/01/2021
- HB8 established an Ambulance Provider Assessment Program

2021

- SB55 permanently ended co-pays for Medicaid members
- HB140 Makes telehealth option permanent
- SB51 removes prior authorizations for any medication used to treat alcohol or opioid use disorders
- HB183 established the Hospital Reimbursement Improvement Program – pays average commercial rate

2022

- HB7 presumptive eligibility
- HB525 directed the Department to reimburse for Community Health Workers
- SB90 directed DMS to investigate and apply for approval to establish a recovery housing benefit
- SB178 expanded Medicaid eligibility to 12 months for postpartum

2023

- HB75 established outpatient improvement program for hospitals
- HJR35 recommends the Department submit state plan amendment to improve ambulance services and service options

# Priorities Going Forward

Unwinding of  
the Public Health  
Emergency

Mobile Crisis

Children's  
services

1115 Waiver for  
Incarcerated

Quality Strategy

Value-Based  
Payments

Focus on  
behavioral  
health needs



CABINET FOR HEALTH  
AND FAMILY SERVICES

## Behavioral Health Initiatives

Leslie Hoffmann, Deputy Commissioner

# Behavioral Health Initiatives

As Medicaid enrollment continue to increase, so does the need for Behavioral Health services. Today we will highlight a few of the current BH initiatives.



CCBHC  
Demonstration  
Project



Multi-Systemic  
Therapy Pilot



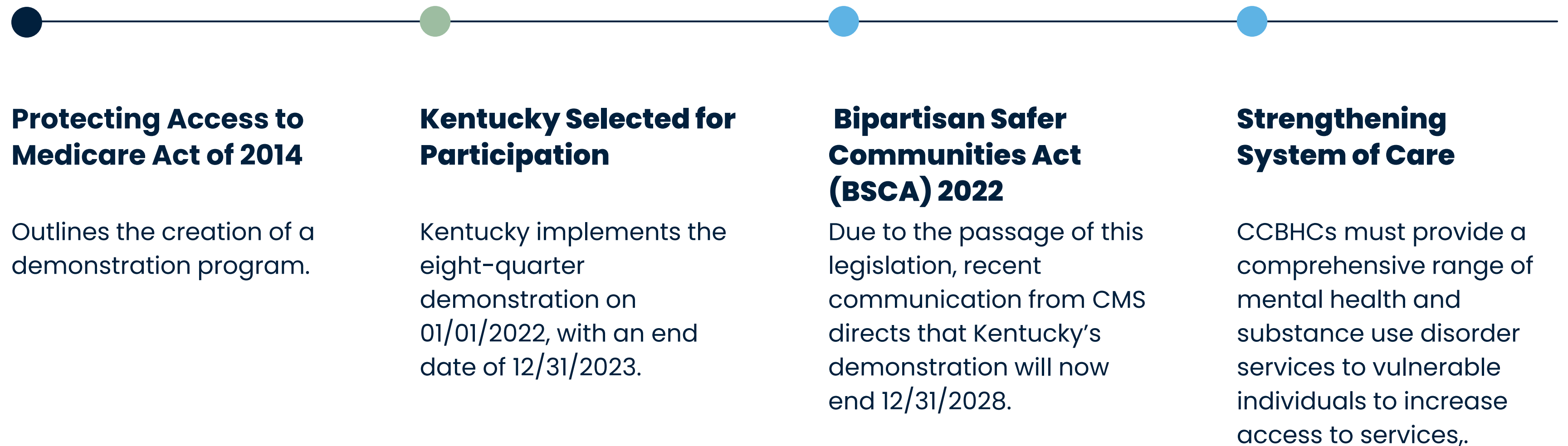
SMI 1115  
Application



Mobile Crisis  
Implementation

# CCBHC Timeline

## Certified Community Behavioral Health Clinics



# POPULATIONS IMPACTED



Serious mental illness



Serious emotional disturbance



Long-term chronic addiction



Mild or moderate mental illness and substance use disorders



Complex health profiles

CCBHCs must provide care regardless of ability to pay or place of residence, providing care for those who are on Medicaid, uninsured, underserved, homeless, and for active-duty military or veterans.



**Seven Counties Services**  
(502) 589-1100



**NorthKey**  
(859) 331-3292



**New Vista**  
(800) 928-8000



**Pathways**  
(606) 324-1141



# MST

## Multisystemic Therapy



### POPULATION IMPACTED

Medicaid enrolled children between the ages of 10-17 that are at risk for entering the Juvenile Justice system. The goal is to work intensively with the youth and family to prevent justice involvement and out of home placements.

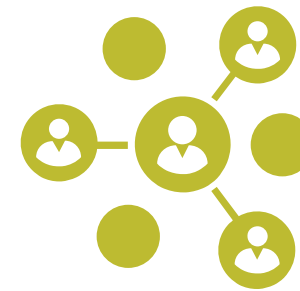
# MULTISYSTEMIC THERAPY PILOT



## Evidence-Based

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MST is an evidenced based intensive treatment process that focuses on diagnosed behavioral health disorders and on environmental systems



## Partnerships

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DCBS, DJJ, MCOs, and other community providers have referred to the programs during the first year of the pilot.



## Three-Year Project

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DMS, along with DCBS, has partnered with 3 Pilot providers that are licensed by the MST Institute for the delivery of this intensive service.

# **SMI, Severe Mental Illness, 1115 Overview**

**What is an 1115  
Demonstration Waiver?**

**Recuperative Care**

**1115 Overview**

**Expansion of IMD Coverage**

**Public Comment & CMS  
Submission**

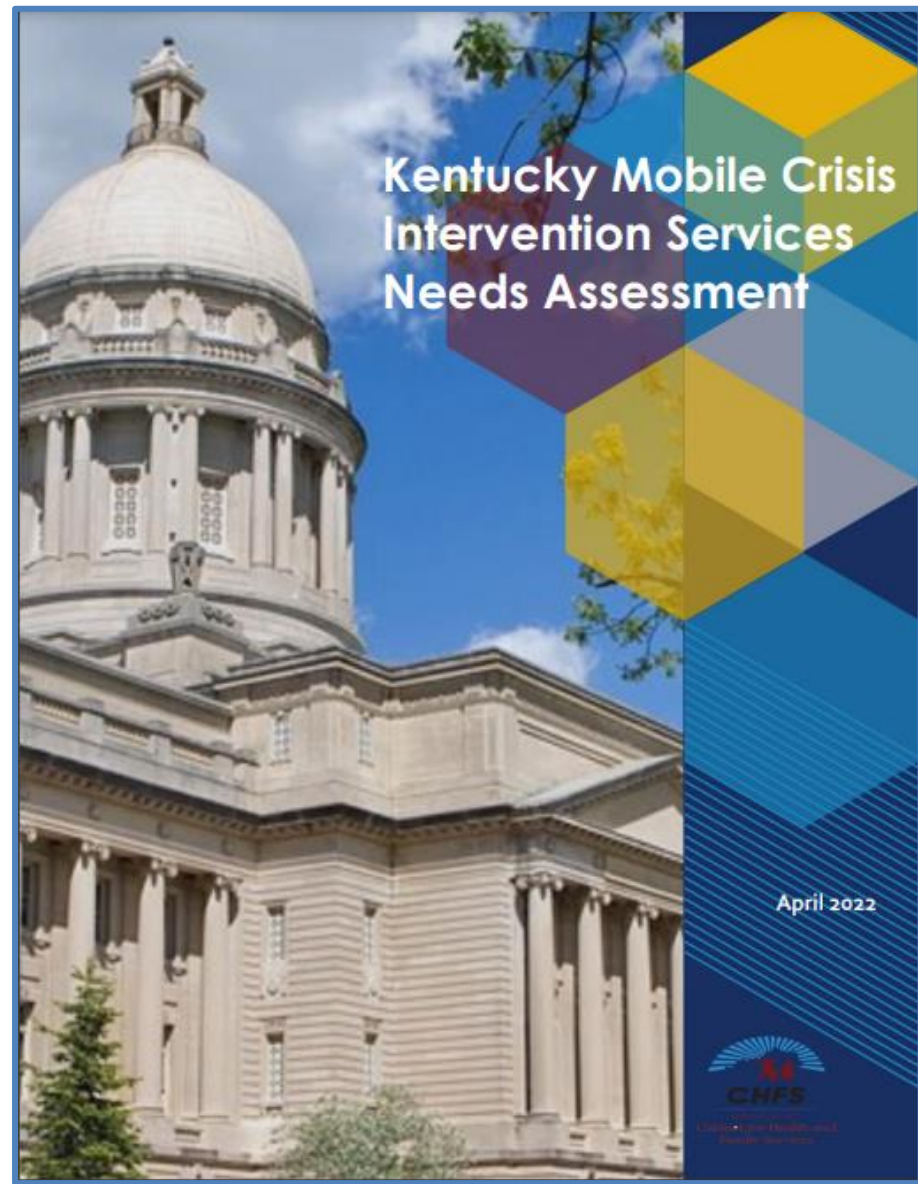
# **Kentucky 1915i SPA**

**Supported  
Employment**

**Supportive  
Housing**

**Behavioral Health  
Respite**

# Kentucky Mobile Crisis Continuum



<https://www.chfs.ky.gov/agencies/dms/Documents/MobileCrisisInterventionAssessment.pdf>

- **September 30, 2021:** DMS Awarded CMS *Mobile Crisis Intervention Services Planning Grant*, \$796,894
- **January – March 2022:** MCI Stakeholder Engagement & Research
- **April 2022:** MCI Needs Assessment Completed
- **October 2021 – December 2022:** Design & develop crisis intervention models
  - **Commonwealth Model** in accordance with CMS requirements for enhanced funding
  - **Community Crisis Co-response Model** to close the loop in the crisis continuum – *on-going development*.
- **November 2022:** HRSA Grant Application Submitted to Support Rural Co-Response Implementation
- **January – March 2023:** Co-Response Stakeholder Engagement & Research
- **March 2023:** Governor Beshear announced the MCI Proposal [https://youtu.be/7qh9yT5\\_jzQ](https://youtu.be/7qh9yT5_jzQ)

# Diversion from Jails and Hospitals

Behavioral Health  
Crisis Services for  
anyone, anywhere,  
anytime.

*No Wrong Door*

## Building a comprehensive crisis continuum for all Kentuckians SAMHSA's National Guidelines for Behavioral Health Crisis Care



### Someone to Talk to

*Crisis lines accepting all calls and dispatching support based on the assessed need of the caller.*

- 988
- Regional Crisis Call Centers
- Public Safety Access Points (PSAP) i.e., 911



### Someone to Respond

*Mobile crisis teams dispatched to wherever the need is in the community.*

- Regional Mobile Crisis Providers (CMHC, CCBHC, and BHSO)
- MRSS for children/youth response
- Community Paramedicine
- Co-Response and Law Enforcement
- Prevention/Deflection/Diversion/Inclusion



### A Place to Go

*Crisis receiving and stabilization facilities that serve everyone that comes through their doors from all referral sources.*

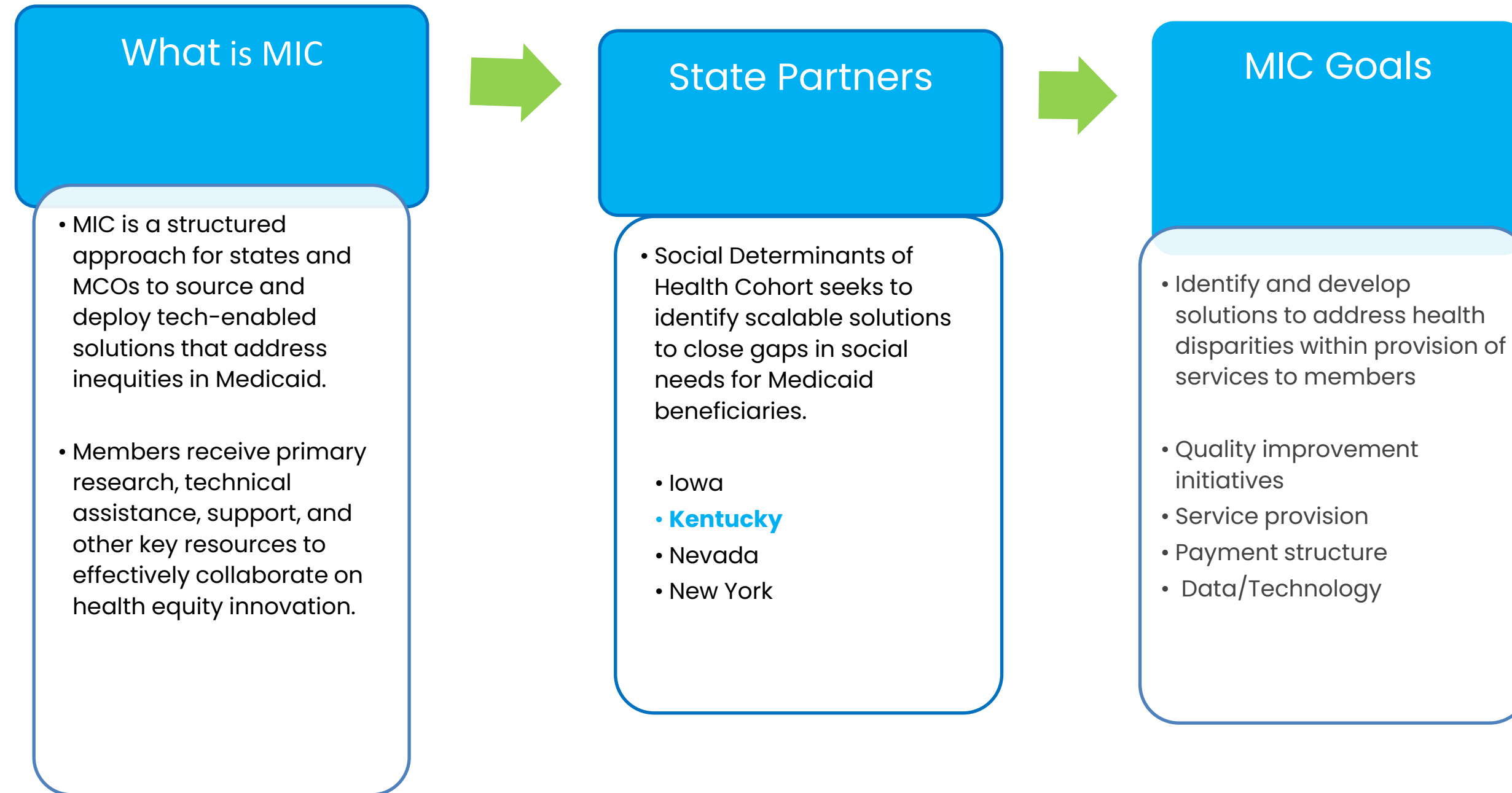
- Least restrictive next level of care
- 23-Hour Short-Term Crisis Observation and Stabilization
- First Responder Drop-Off Options
- Post-Crisis Follow-up



## **DMS Racial & Health Equity Initiative**

- Medicaid developed a Racial and Health Equity plan to align with the Cabinet's initiatives
- Medicaid Identified tools to better assess tasks and projects through the lens of cultural humility.
- Medicaid set goals for each Division in Medicaid and developed strategies with the MCOs
- Medicaid currently assists with the Cabinet's first Health Disparity and Equity Technical Advisory Committee (TAC).
- Medicaid was granted participation in the Medicaid Innovative Collaborative (MIC)

# Medicaid Innovation Collaborative (MIC) Update



[Medicaid Innovation Collaborative \(medicaidcollaborative.org\)](https://www.medicaidcollaborative.org)



# THANK YOU

**DMS HOME**



**DMS BH PAGE**



**DMS ISSUES**



[leslie.hoffmann@ky.gov](mailto:leslie.hoffmann@ky.gov)