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GOVERNOR

CABINET FOR HEALTH AND FAMILY SERVICES

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November 3, 2025

Emily Caudill, Regulation Compiler
Administrative Regulation Review Subcommittee
Legislative Research Commission
Capitol Annex Building, Room 83
Frankfort, KY 40601

Re: 900 KAR 5:020. State Health Plan for facilities and services.

Dear Co-Chairs Lewis and West:

Upon consideration of the public comments received and subsequent amendments made to the Amended After Comments (AAC) administrative regulation for 900 KAR 5:020, the Cabinet for Health and Family Services, Office of Inspector General, requests the attached agency amendment to 900 KAR 5:020 AAC. The amendment removes all previous changes regarding Ambulatory Surgical Centers and makes other typographical corrections.

If you have any questions regarding this matter, please contact Josh Hardesty, Executive Director of the Office of Legislative and Regulatory Affairs, at (502) 229-5376.

Sincerely,

Office of Legislative and Regulatory Affairs

**Agency Amendment
Cabinet for Health and Family Services
Office of Inspector General**

900 KAR 5:020. State Health Plan for facilities and services. (Amended After Comments)

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Section 2(1)

Line 19

After, "Update to the State Health Plan", insert "November"

Delete "October"

Material Incorporated by Reference

The amendments in this Agency Amendment are based upon the clean version of the Amended After Comments version (filed on 10/14/2025) of 900 KAR 5:020.

Title page

Header

Insert "November"

Delete "October"

Title

After "State Health Plan", insert "November"

Delete "October"

Page 3

A. Acute Care Hospital

Review Criteria 2.c.i.

Before "The existing hospital is located within the same county as the new acute care hospital; or", insert "i."

After "i." delete the following:

i. The existing pediatric teaching hospital is located within the same county as the new pediatric teaching hospital;

Review Criteria 2.c.ii.

After "new acute care hospital" insert ";

After "and" delete ";

Review Criteria 2.c.ii.(a)

After "have a hospital" insert ";

Delete ".

Review Criteria 2.c.ii.(b)

After "contiguous county for", delete "over"

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Review Criteria 3.

After “7 and 8”, insert “₁”

Review Criteria 3.b.

After “new pediatric teaching hospital;”, insert the following:

c. The existing pediatric teaching hospital is located within the same county as the new pediatric teaching hospital;

Review Criteria 3.d.

After “IV special”, insert “care”

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B. Megavoltage Radiation Equipment

Review Criteria 1.

After “Kentucky Annual Megavoltage Radiation Report”, insert “₁”

Delete “.”

After “Services Report or,”, insert “a”

After “internal data source”, insert “₁”

Delete “.”

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V. Miscellaneous Services

B. Ambulatory Surgical Center

Definition

After “902 KAR 20:101”, delete the following:

“Cornea transplant” is defined as penetrating keratoplasty, deep anterior lamellar keratoplasty, endothelial keratoplasty, keratoprosthesis, and corneal epithelial stem cell transplantation.

“Glaucoma fistulizing surgery” shall be defined as surgeries that create a new drainage pathway through a hole made in sclera or adjacent tissue so that aqueous humor can drain to the subconjunctival space. Some examples of this type of surgery are trabeculectomy, glaucoma tube surgery, express mini-shunt surgery, and XEN gel stent surgery.

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Review Criteria 5.

After “conditions that are met:”, insert the following:

a. The applicant is an ophthalmologist, or an ophthalmology group, 100% owned by ophthalmologists, which has been organized and practicing in Kentucky for a period of ten (10) years prior to the date the application was submitted;

b. The applicant documents that the proposed ophthalmic outpatient surgery procedures have been performed for a period of five (5) years prior to the date the application was submitted;

c. The applicant documents that prior to March 30, 2016, it has invested no less than \$300,000.00 in advanced ophthalmic laser technology;

d. The proposed ASC is located in the county where the private office of the applicant is currently located;

e. Only one (1) ASC shall be established by the applicant; and

Delete existing criteria 5. a. through g. in its entirety.
Renumber h.

FISCAL IMPACT STATEMENT

Administrative Regulation: 900 KAR 5:020

Agency Contact: Valerie Moore

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Contact Person: Krista Quarles

Phone Number: (502) 564-7476

Email: CHFSregs@ky.gov

(1) Identify each state statute, federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 216B.010, 216B.015(28), and 216B.040(2)(a)2.a.

(2) Identify the promulgating agency and any other affected state units, parts, or divisions: This administrative regulation impacts the Cabinet for Health and Family Services, Office of Inspector General, and may impact any government owned or controlled health care facility. The agency amendment does not impact the fiscal impact statement filed with the Amended After Comments administrative regulation filed on 8/15/25.

(a) Estimate the following for the first year:

Expenditures: This amendment will not cause additional expenditures.

Revenues: This amendment will not generate additional revenue.

Cost Savings: This amendment will not generate any cost savings.

(b) How will expenditures, revenue, or cost savings differ in subsequent years? This amendment will not generate additional expenditures, revenue or cost savings for state or local government during subsequent years.

(3) Identify affected local entities (for example: cities, counties, fire departments, school districts): This amendment should have no additional effect on local entities.

(a) Estimate the following for the first year:

Expenditures: No additional expenditures are expected from this amendment.

Revenues: No additional revenues are expected as a result of this amendment.

Cost Savings: No additional cost savings is expected as a result of this amendment.

(b) How will expenditures, revenues, or cost savings differ in subsequent years? No additional budgetary impact is expected as a result of this amendment in subsequent years.

(4) Identify additional regulated entities not identified in questions (2) or (3): All affected entities are listed in questions (2) and (3).

(a) Estimate the following for the first year:

Expenditures: No additional expenditures are expected from this amendment.

Revenues: No additional revenues are expected as a result of this amendment.

Cost Savings: No additional cost savings are expected as a result of this amendment.

(b) How will expenditures, revenues, or cost savings differ in subsequent years?

No additional budgetary impact is expected as a result of this amendment in subsequent years.

(5) Provide a narrative to explain the:

(a) Fiscal impact of this administrative regulation: There is no anticipated fiscal impact as a result of the amendment to this regulation.

(b) Methodology and resources used to determine the fiscal impact: No money spent; no money gained equals no fiscal impact.

(6) Explain:

(a) Whether this administrative regulation will have an overall negative or adverse economic impact to the entities identified in questions (2) – (4). (\$500,000 or more, in aggregate). This administrative regulation is not expected to have a major economic impact on the regulated entities.

(b) The methodology and resources used to reach this conclusion: No money spent; no money gained equals no fiscal impact.