

# HOUSE BUDGET REVIEW SUBCOMMITTEE ON HEALTH AND FAMILY SERVICES

## Minutes of the 1st Meeting of the 2025 Regular Session

February 12, 2025

### Call to Order and Roll Call

The 1st meeting of the House Budget Review Subcommittee on Health and Family Services was held on February 12, 2025, at 10:00 AM in Room 169 of the Capitol Annex.

Representative Ken Fleming, Chair, called the meeting to order, and the secretary called the roll.

### Present were:

Members: Representatives Ken Fleming Chair; Wade Williams Vice Chair; Representatives Samara Heavrin, Robert Duvall, DJ Johnson, Rebecca Raymer, and Lisa Willner.

Guests: Lisa Lee, Commissioner, Department for Medicaid Services, Cabinet for Health and Family Services; Steve Bechtel, Chief Financial Officer, Department for Medicaid Services, Cabinet for Health and Family Services

LRC Staff: Miriam Fordham, Kevin Newton, and Benjamin Thompson.

### Status Update on Medicaid Funding and Expenditures for Substance Abuse and Mental Health Services

Lisa Lee, Commissioner, Department for Medicaid Services, Cabinet for Health and Family Services; and Steve Bechtel, Chief Financial Officer, Department for Medicaid Services, Cabinet for Health and Family Services provided an overview of the Department for Medicaid Services budgetary needs.

In response to questions from Chair Fleming, Commissioner Lee confirmed that Anthem is no longer a Kentucky Medicaid Managed Care Organization due to a court order. Commissioner Lee noted that in 2023 the Department for Medicaid Services (DMS) opted to combine behavioral health fee schedules and chose the higher reimbursement rate. DMS is developing a behavioral health report that would be run each month in order to monitor trends.

In response to a question from Representative Johnson, Commissioner Lee stated that DMS began covering behavioral health services in 2014 and more providers have enrolled as the program has evolved.

In response to a question from Representative Willner, Commissioner Lee noted that DMS believes there is a sufficient number of behavioral health service providers enrolled in Medicaid.

In response to a question from Representative Williams, Commissioner Lee stated that DMS has a capitated arrangement with the Office of Transportation Delivery within the Transportation Cabinet to provide nonemergent transportation for Medicaid members.

In response to a question from Representative Johnson, Mr. Bechtel noted that the recent provider reimbursement rate evaluation was done on 1915c Home and Community Based Waivers, but the study was not encompassing of the entire Medicaid provider base.

**Adjournment**

There being no further business before the subcommittee, the meeting was adjourned at 10:47 AM.