

HOUSE BUDGET REVIEW SUBCOMMITTEE ON HEALTH AND FAMILY SERVICES

Minutes of the 2nd Meeting of the 2025 Regular Session

February 19, 2025

Call to Order and Roll Call

The 2nd meeting of the House Budget Review Subcommittee on Health and Family Services was held on February 19, 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 Robert Duvall, DJ Johnson, Rebecca Raymer, and Nick Wilson.

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; and Amy Staed, Chief Executive Officer, Kentucky Association of Private Providers.

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

Approval of Minutes

Representative Wilson made the motion to approve the minutes from the February 12, 2025, meeting of the subcommittee. Representative Johnson seconded the motion and the minutes were approved without objection.

Status Update on Medicaid Home and Community Based Services Waivers

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 Medicaid Home and Community Based Services Waiver program.

In response to questions from Chair Fleming, Mr. Bechtel noted that as applied to Medicaid expansion a one percent decrease in the Federal Medical Assistance Percentage (FMAP) would equal a reduction of seventy five million dollars in federal funding. Commissioner Lee stated that waiver enrollees and those in residential facilities combine to account for twenty percent of the Medicaid benefits budget.

In response to questions from Representative Johnson, Commissioner Lee confirmed that individuals may join the waitlist for a waiver if they believe they will qualify for the waiver in the future. If someone does not qualify by the time they have gotten through the waitlist, then that person would be denied the waiver services. Commissioner Lee stated that the waiver waitlists are first come, first served, though there are emergency exceptions.

Home and Community Based Services Waiver Reimbursement Rates

Amy Staed, Chief Executive Officer, Kentucky Association of Private Providers provided information regarding waiver reimbursement rates and the impact on providers.

In response to a question from Chair Fleming, Ms. Staed stated that her concern with the adjusted reimbursement rate resulting from the waiver rate study is that it only increases reimbursements to seventy percent of the recommended rate.

In response to a question from Representative Johnson, Mr. Bechtel confirmed that all of the money allocated for the waiver program has been used appropriately.

Adjournment

There being no further business before the subcommittee, the meeting was adjourned at 11:00 AM.