



CABINET FOR HEALTH
AND FAMILY SERVICES

IJC on Families and Children

1915(c) CHILD Waiver

Dr. Leslie Hoffmann, DMS

Dr. Katie Marks, DBHDID

Lesla Dennis, DCBS

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What is the 1915(c) CHILD Waiver?

Community Health for Improved Lives and Development (CHILD)

The CHILD Waiver is a new Kentucky Medicaid program designed to help Kentucky children and youth with significant behavioral health or developmental challenges get the services they need, while staying at home, in school, and in their communities.

Anticipated January 2026

Serving Children & Youth with Most Complex Needs

- Focused for children and youth stepping out of acute psychiatric inpatient care (PRTF) or at risk of out-of-home placement due to requiring intensive behavioral health and residential supports.
- CHILD waiver includes clinical therapeutic services designed to foster a step-down approach, coming from the highest level of care in order to return to home and the community.

Who the 1915(c) CHILD Waiver Helps?

- **Children and Youth**

- Under age 21
- With significant behavioral health or developmental needs
- Kentucky children and youth who:
 - Need a level of care similar to what would be provided in a psychiatric residential treatment facility (PRTF), intermediate care facility for individuals with intellectual disabilities (ICF/IID), or hospital
 - Can be safely supported at home or in the community with the right services

Current Landscape: Trends & Challenges

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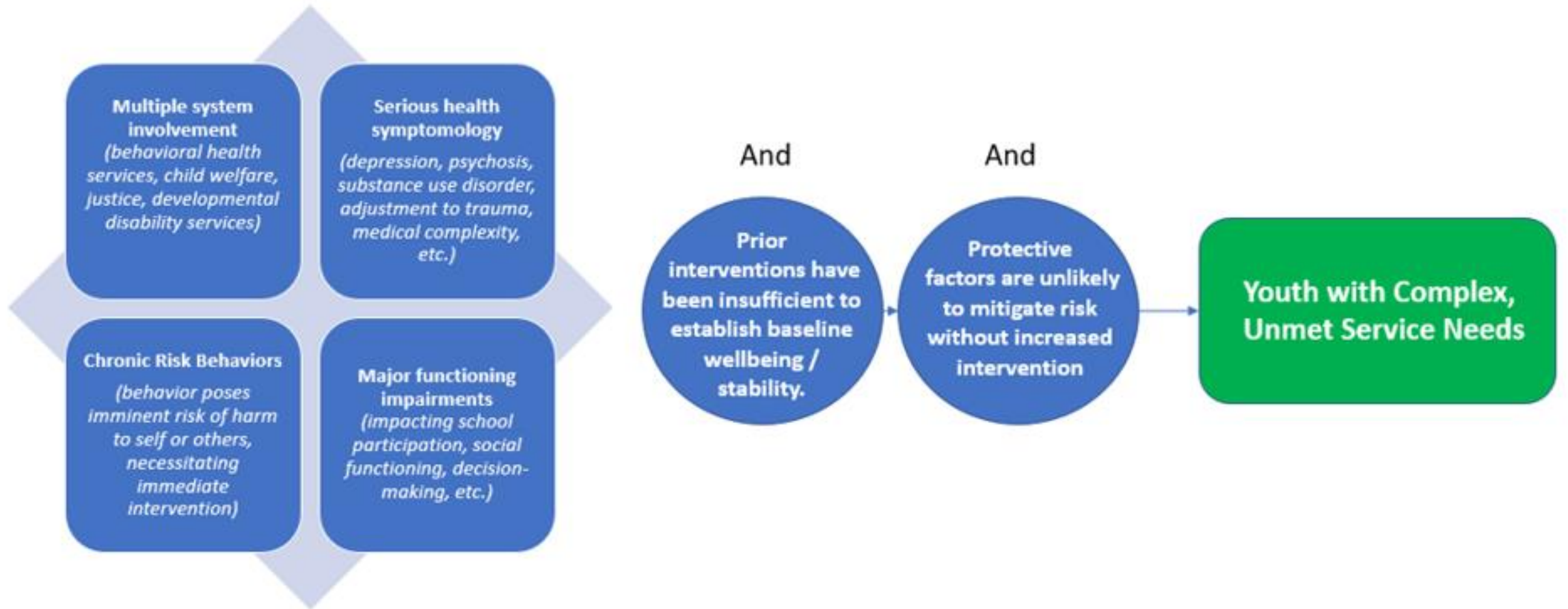
Problem

A growing number of young people with complex needs and their families are experiencing significant barriers to accessing necessary services and supports in Kentucky. The existing system of care lacks the capacity and range to support children and youth with complex needs.

Result

- Delays in discharge from inpatient psychiatric hospitalization due to no identified stepdown
- Ongoing incidence of nontraditional placements for youth in Out of Home Care (OOHC)
- Transition challenges for youth stepping down from intensive, restrictive treatment settings
- Youth coming into care due to conditions related to child behavior (not maltreatment)

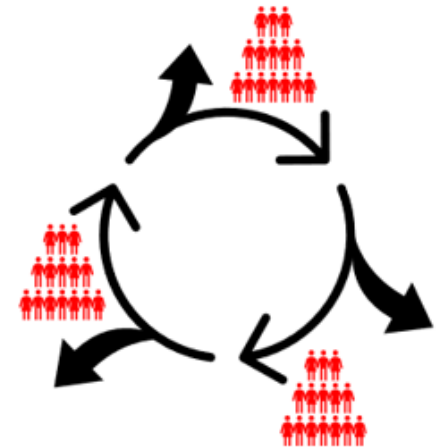
Youth with Complex, Unmet Service Needs



Youth Experiencing Prolonged Stays in Psychiatric Hospital Settings

Calendar Year	# of incidents in which youth in OOHC spent 90+ consecutive days in an inpatient psychiatric stabilization setting
2023	60
2024	379 (6 x more than 2023)

- Timely stepdown of youth who have stabilized in an inpatient psychiatric setting is critical to the functioning of the system of care.
- The lack of appropriate community-based services to provide immediate, intensive support presents a barrier to placement with family caregivers, including relatives, fictive kin, and foster parents.



Covered Services & Year One Details

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Details	Case Management	Community Living Supports	Environmental & Minor Home Modifications
Service Description	Case management activities include assisting participants in gaining access to waiver services and other needed services through the Medicaid State Plan and other non-Medicaid funded community-based programs to support the participant's home and community-based needs.	Community Living Supports are intended to provide direct one-on-one assistance (including hands-on assistance, reminders, cueing, observation, and training) while facilitating independence and promoting integration into the community.	Environmental and Minor Home Modifications are any necessary adaptations to a private or family residence required to ensure the child or youth's health, welfare, and safety.
Service Limitation	Case management will be provided to all children and youth enrolled on the CHILD waiver, in accordance with required by federal 1915(c) waiver requirements. Case management is limited to one billing unit per month, per child, unless otherwise authorized in excess of that unit through the exceptional support process as enumerated in Kentucky Administrative Regulations (KAR).	Community Living Supports is limited to 112 hours per week, with no more than 16 hours of service delivered per day. The exceptional review process as enumerated in KAR can be used to exceed the service limitation. In addition, Community Living Supports will not be authorized for children or youth who are currently authorized and receiving Supervised Residential Care, unless the child or youth's person-centered service plan includes documented evidence that the individual and their support system are reintegrating the individual back to their family (including foster parent's) residential home.	Environmental and Minor Home Modifications cannot exceed \$9,680 per lifetime, unless otherwise approved through the exceptional review process noted in KAR.
Unit	Monthly	15-minute	Lifetime
Number of Users	100	65	30
Avg Units per User	12	4,680	1

All services will be person-centered and delivered by trained, waiver-certified providers.

Covered Services & Year One Details

Details	Planned Respite for Caregivers	Supervised Residential Care	Clinical Therapeutic Services (Step-Down & After-Care Support)
Service Description	Respite services are provided on a short-term basis due to the absence of or need for relief of the primary caregiver.	Supervised Residential Care is targeted to children and youth who require 24-hour intense residential services, and the supports provided in a Supervised Residential Care setting are individually tailored to assist with the acquisition, retention, or improvement in skills related to living in the community.	Clinical Therapeutic Services is approved, based on assessed needs, to support children, youth, and their families in understanding, mitigating, and providing long term solutions for behavior challenges. This service is designed to provide family crisis prevention and stabilization supports to the waiver enrolled child or youth, primary caregiver, family (including foster care families).
Service Limitation	Respite is limited to 830 hours per waiver eligibility span, unless otherwise authorized in excess of that unit through the exceptional support process as enumerated in KAR. Children and youth may also not be authorized respite when currently receiving Supervised Residential Care. Respite is further limited to authorizations outside of school hours only.	Limited to one per-diem unit per participant per calendar day.	Clinical Therapeutic Services is limited to 160, 15-minute units per year, unless otherwise approved through the exceptional review process detailed in KAR.
Unit	15-minute	Daily	15-minute
Number of Users	50	75	65
Avg Units per User	1,660	365	800

All services will be person-centered and delivered by trained, waiver-certified providers.

1915(c) CHILD Waiver – Key Features

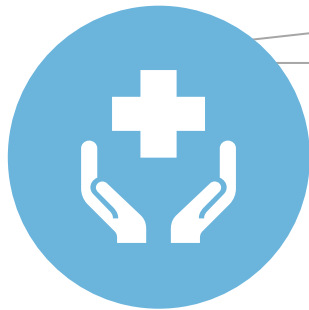
- **A fixed number of enrollment slots**
- **A standardized needs-based assessment to determine functional eligibility**
- **Medicaid-funded services not available through the standard benefit package**
- **Individualized service plans and care coordination**

1915(c) CHILD Waiver – Targeted Approach

- **House Bill 6 allocated \$14.7 million for State Fiscal Year 2026 to support the creation of a Home and Community-Based Services (HCBS) Section 1915(c) CHILD Waiver.**
- **These funds are designated exclusively for benefit services.**
- **To ensure the most effective use of the funding, a strategic, targeted approach was implemented by:**
 - Giving priority to children with the most acute and complex needs
 - Providing fully individualized, comprehensive care
 - Stabilizing children most at risk of institutional care
 - Reducing long-term costs and supporting better outcomes in the least restrictive environment

Families First

A comprehensive, multi-year initiative aimed at enhancing the existing system of care for all Kentucky children and youth.



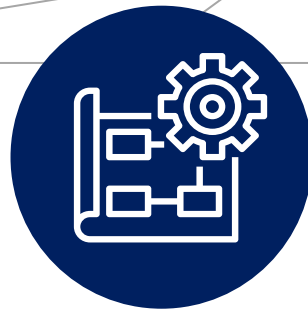
SHINE KY

Enhancing access to and delivery of school-based services for Medicaid and CHIP-eligible and enrolled students.



KY CARES

Services to support community reentry and improve care transitions for justice-involved youth.



CHI Mapping Tool

Tracking and reporting of children's health initiatives.



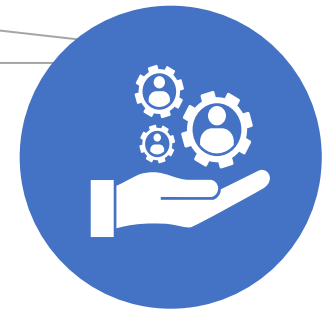
Funding Modernization

Restructuring of Medicaid payment for medically necessary treatment services.



High Needs Service Delivery

The 1915c CHILD Waiver is designed to meet the child-centric care, support services, housing, custody and placement, and other health-related social needs.



Children's State Plan Amendment

Plan for a SPA to locate appropriate resources and housing for children and youth in need of placement and services.

Current Status: 1915(c) CHILD Waiver

- **DMS Waiver Application**

- Waiver application developed and currently available for review at: <https://bit.ly/KYMedicaidLTSSInfo>
 - Public Comment period was open: June 10 through July 15, 2025
 - Public comments responses available in early August 2025
- DMS targets August 2025 for submission to the Centers for Medicare and Medicaid (CMS) for approval

Where can I learn more?

- **Additional information will be made available over the next few weeks**
- **For more information:**
 - 1915(c) CHILD Waiver Help Desk
 - **Email:** 1915cWaiverHelpDesk@ky.gov
 - **Phone:** (844) 784-5614
 - 1915(c) CHILD Waiver Summary
 - <https://www.chfs.ky.gov/agencies/dms/dca/waivers/CHILDWaiverSummary.pdf>