

CABINET FOR HEALTH AND FAMILY SERVICES

Medicaid HB 695 Update

Prepared for the Budget Review Subcommittee on Health and Family Services

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Kentucky Medicaid at a Glance

Approximately 1.4 million members

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

485,000 expansion members

Over 69,000 enrolled providers

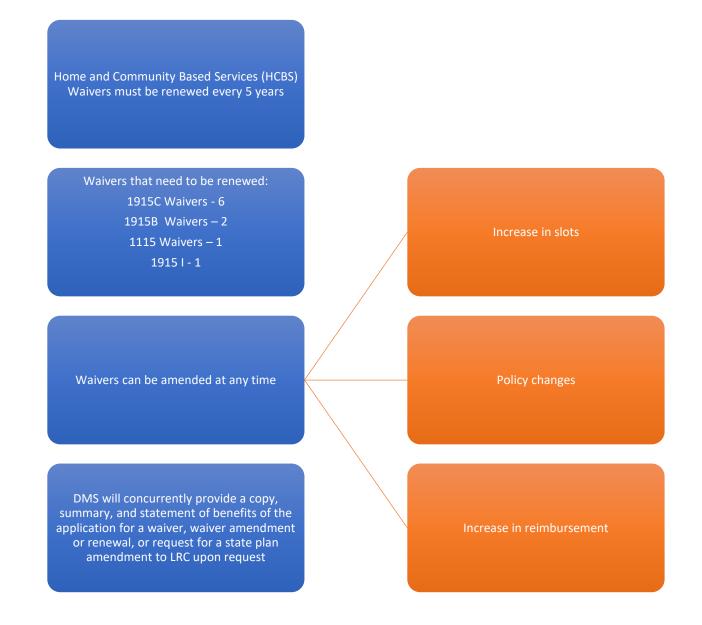
\$18.5 billion in total SFY 2024 expenditures (Administrative and Benefits combined)



HB695

- Requires General Assembly Authorization to make any change to eligibility, services or benefits in a state plan amendment or for a new, amended or renewed waiver
 - Sets up the timing and type of fiscal impact, efficacy, and necessity information to be provided to LRC
 - Excludes Medicaid preferred drug list and previously approved directed or supplemental payment programs
 - Excludes federal requirements, national emergency and disaster declarations, and Governor's declaration of emergency – along with submitting a fiscal impact assessment to LRC

Submission of Waivers



Community Engagement Waiver

 Community Engagement waiver is currently in the public comment period. Anticipated to meet deadline for submission to CMS

Medicaid Pharmacy Rebate Fund

Completed

MCO Expenditure Data Collection

• Submitted May 14, 2025



New Reports to LRC

Budget Analysis quarterly report—submitted May 7, 2025

MCO quarterly expenditure report—submitted May 14, 2025

Enrollee quarterly report— expected late June, 2025

Provider tax assessment report—in progress

Behavioral Health annual trend report—in progress

Legislative Medicaid Impact Notice

If the Cabinet believes there to be any barrier to implementing a Medicaid-related bill or resolution under consideration by the General Assembly, the cabinet shall notify the LRC in writing of anticipated implementation barriers within seven calendar days following a standing committee's report that the bill or resolution should pass.

Implemented. DMS has developed a process to be in compliance.



Non-Codified HB 695 Language

- Reinstate all behavioral health prior authorizations for services in place and required January 1, 2020 – completed
- By December 31, 2025 develop a scorecard for behavioral health and substance use disorder treatment services and providers to be used by all MCOs that DMS has contracted for the delivery of services – in progress



2025 Budget - Total

Total		Budget	(a	Expenses s of 5/23/2025)	Re	emaining Budget	Re	emaining Expenses (Projected)	% Spent
Federal Funds	\$	16,010,888,800	\$	14,365,080,000	\$	1,645,808,800	\$	1,484,757,100	98.99%
General Funds	\$	2,630,085,500	\$	2,576,575,300	\$	53,510,200	\$	53,510,200	100.00%
Restricted Funds	\$	2,195,061,100	\$	1,646,906,100	\$	548,155,000	\$	444,322,500	95.27%
	\$:	20,836,035,400	\$:	18,588,561,400	\$	2,247,474,000	\$	1,982,589,800	98.73%



2025 Budget - Benefits

Benefits - 748	Budget	(a	Expenses s of 5/23/2025)	Re	emaining Budget	Re	maining Expenses (Projected)	% Spent
Federal Funds	\$ 15,697,533,400	\$	14,207,824,800	\$	1,489,708,600	\$	1,438,368,800	99.67%
General Funds	\$ 2,563,029,800	\$	2,511,042,400	\$	51,987,400	\$	51,987,400	100.00%
Restricted Funds	\$ 2,160,294,500	\$	1,617,330,200	\$	542,964,300	\$	439,131,800	95.19%
	\$ 20,420,857,700	\$:	18,336,197,400	\$	2,084,660,300	\$	1,929,488,000	99.24%



2025 Budget - Administration

Admin-746		Budget		Expenses (as of 5/23/2025)		Remaining Budget		maining Expenses	% Projected
(by Object Type)								(Projected)	
Personnel Cost	\$	300,415,700	\$	191,117,200	\$	109,298,500	\$	44,233,600	78.34%
Operating Expenses	\$	14,692,000	\$	14,000,000	\$	692,000	\$	692,000	100.00%
Grants, Loans, Benefits	\$	100,070,000	\$	47,246,800	\$	52,823,200	\$	8,176,200	55.38%
Capital	\$	-	\$	1	\$	-	\$	-	
	\$ 4	415,177,700	\$	252,364,000	\$	162,813,700	\$	53,101,800	73.57%



Department for Medicaid Services Staffing

- 211 filled
- 11 vacant



QUESTIONS and/or Comments?

